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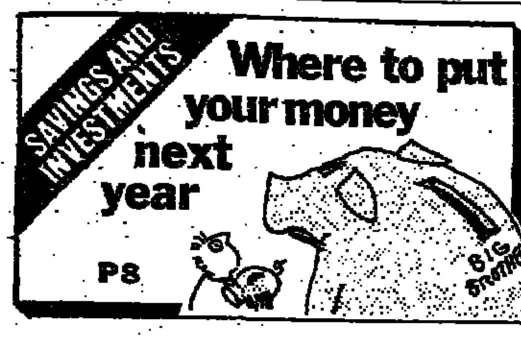
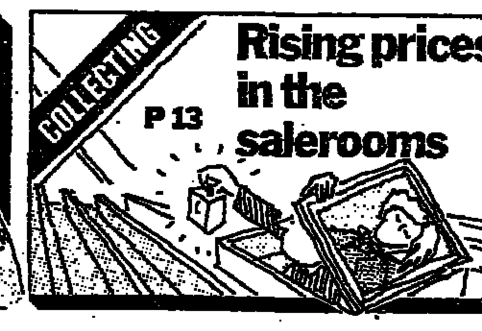
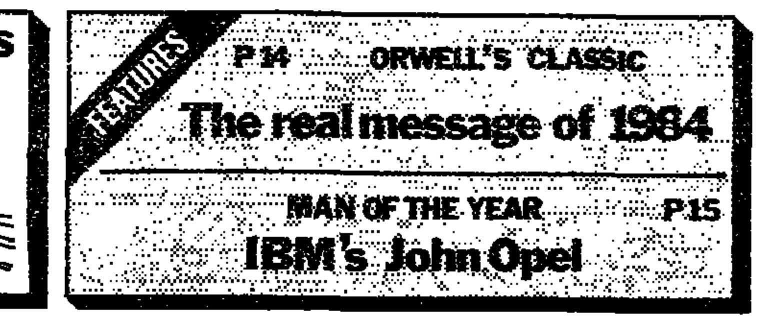
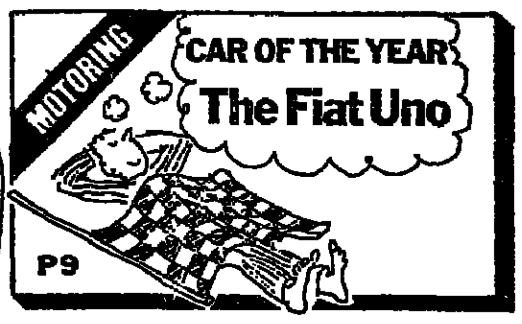








BAT set to buy out Allianz in bid battle for Eagle Star

BY CHARLES BATCHELOR

BAT INDUSTRIES emerged the apparent victor yesterday in the record bid battle with Allianz *Versicherung, the West German* insurance group, to take over Eagle Star, the UK insurance company.

With a £34m increase in its bid to £968m, the UK tobacco, paper and retailing group won agreement to buy out its rival only hours before the 4.30 pm deadline set by the Takeover Panel for the last in the series of leap-frogging bids.

Allianz will show a profit of £163m with the sale of its 30 per cent holding in Eagle Star to BAT for £7 a share. BAT, which controls only 2.68 per cent of Eagle Star, will keep its £7 a share offer open to other shareholders until January 18.

However, it was still not clear that this would be the end of the affair. Morgan Grenfell, Allianz's merchant bankers, said: "We think there is a third party, probably American, which has just under 5 per cent of the shares."

BAT and Allianz have agreed a formula which would nullify their agreement if a third bidder were to emerge. This would allow Allianz to accept any higher offer.

The BAT-Allianz agreement lapses if a third party announces plans to buy 20 per cent or more of Eagle Star *before January 18, or if a third* party obtains control of 5 per cent or more.

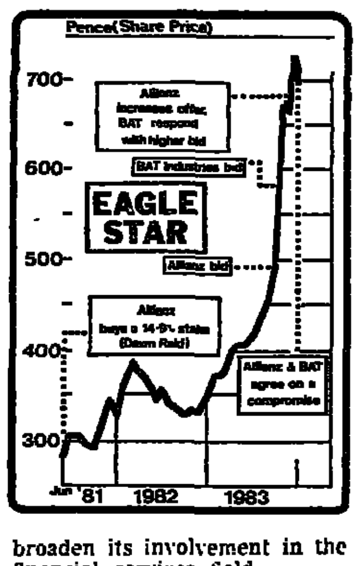
Despite persistent stock market speculation that another company—possibly a U.S. insurance group — might be interested, BAT and Eagle Star say they have no firm evidence of this.

De Zoete & Bevan, brokers to BAT, said they had been prepared to buy Eagle Star shares in the market at 688p yesterday but none had been offered. Paying more than this price would be less advantageous than paying the £7 offer price next month, it argued.

"We regard this as a purely mathematical calculation," de Zoete said. "We don't feel frightened by the rumours of another bidder. Sober thinking suggests no-one else is around, or Allianz would have sold its shares to them."

Eagle Star's shares fell 20p yesterday to 694p while BAT rose 12p to 180p.

Once the takeover has been completed, BAT and Eagle Star plan to expand Eagle Star's insurance business overseas and



broaden its involvement in the financial services field.

BAT has been looking for a "fourth leg" for some time and decided about two years ago to move into financial services.

Commenting on the agreement, BAT said: "Both parties had felt for some time they were reaching their limits on price. Neither we nor Allianz were thinking in terms of 800p."

Eagle Star shares were traded at 233p *before Allianz* launched a "dawn raid" at 290p on June 1 1981, netting it 14.9 per cent of the shares. BAT first entered the lists at 575p on November 2 1983.

Allianz said it had two main reasons for deciding to withdraw. Its original plan of taking a large minority stake and obtaining representation on Eagle Star's board was not possible in the light of Eagle Star's opposition to the rival BAT offer.

Neither could it keep increasing its bid for the whole of Eagle Star, "having full regard for prudent operational and financial considerations."

Mr Detlev von der Burg, Allianz director in charge of international operations, said he saw no reason why the company should not try to establish links at a later stage with another British insurer.

"We would still like to have a better foothold in the London market. We will have to examine carefully whether, under the circumstances, there are still ways to achieve this. I am absolutely convinced we

Continued on Back Page
How BAT won battle, Page 3
Lex, Back Page

Peugeot to lock workers out

BY PAUL BETTS IN PARIS

PEUGEOT, FRANCE'S troubled private car manufacturer yesterday announced an indefinite lock-out at its strike-hit Talbot *plant at Poissy, outside Paris,* from Monday.

The company also said that from that day it would stop paying the wages of the 17,000 workers employed at the plant, formerly owned by the U.S. Chrysler group.

The decision marked a further deterioration in the situation at Poissy which has become a test case for the French Left-wing government and for labour relations in France.

The trade unions last night asked M Pierre Mauroy, the Socialist Prime Minister, to intervene in the dispute and to open talks between the government, the company and the unions.

The government is expected to try to find a hurried solution to the affair over the weekend. However, it is in an extremely difficult position, having agreed before Christmas a compromise with Peugot on controversial lay-off proposals for Talbot, which have subsequently been rejected by the unions.

M Edmond Maire, secretary general of the pro-Socialist CFDT labour confederation, yesterday again accused the government of failing to cons the unions over the Tal redundancies.

The unions want the gove *ment to renegotiate the ag* ment with Peugeot, but the company wants the Governme to deliver its part of the b gain struck before Christmas.

The disputed agreement volves a plan to make 1,9 workers redundant at Pois Peugeot had earlier sought 2,9 redundancies as part of a wi plan to reduce the work fo of its Talbot and Peugeot divisions in France by 7, people.

However, the unions opp the concept of redundancies Maire said yesterday tha reduction in working hours 35 hours a week at Poissy a adequate retraining schemes laid-off workers would be mo acceptable.

Peugeot announced its de sion to lock out workers and stop paying wages at Poi after maintenance workers we refused, for the second d entry into the car assemb building occupied by milita workers. The refusal defied court order to end the sit

Peugeot indicated yesterd

Continued on Back Page

WORLD NEWS

Grenades at West Bank mosques

Israeli soldiers guarded Moslem holy sites against terrorist attack yesterday after booby-trapped hand-grenades exploded outside two mosques in the West Bank town of Hebron.

A telephone caller to Israeli radio stations said the grenades were planted by a Jewish group called Terror against Terror, which has claimed responsibility for nine similar incidents this month.

In Jerusalem the Israeli Government, torn by disagreement over budget cuts, again deferred decisions on an urgent economic recovery programme. Page 2

Cape Town riots

South African riot police fired tear gas, rubber bullets and birdshot as rioting broke out at Crossroads squatters camp near Cape Town where two men died in fighting on Wednesday. Residents blamed the violence on factional differences.

Galtieri in court

Former Argentine President Gen Galtieri was arraigned in court martial proceedings with the two other members of the military junta which commanded during the Falklands war. Page 2

Uruguayan attacks

Three members of Uruguay's Blanco Party said fire bombs had been placed outside their homes and under their cars. The attacks came as Uruguayans prepared for a day of protest against the military government.

Airport bomb found

A suitcase packed with explosives was found minutes before it was to be loaded on an Alitalia aircraft at Istanbul airport. Security guards became suspicious when one of the passengers did not turn up.

Airmen arrive in UK

Three air force officers released last week after 17 months in prison in Zimbabwe arrived at Heathrow Airport. One claimed they had been tortured with electric shocks.

Cable car suspense

A hundred and twenty passengers descending from Switzerland's Mt Tamaro were trapped in 30 blocked cable cars for up to 12 hours before being rescued by helicopter.

Poison gas scare

A cloud of highly toxic gas spread from spilled nitric acid at a chemical plant in Nuremberg, West Germany, slightly injuring 16 people.

Army foils robbery

An army helicopter patrol foiled a robbery at Crossmaglen near the Irish border when it swooped on an armed gang which had rammed a Securicor van. The raiders fled.

Rose Kennedy ill

Rose Kennedy, 93, mother of assassinated President Kennedy, was admitted to hospital in Florida with a viral infection.

Test-tube triplets

Marlies Clausen, 26, gave birth to Europe's first set of "test-tube" triplets—three boys—at Kiel, West Germany.

Publisher's notice

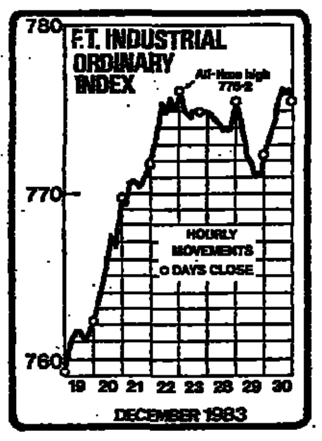
The Financial Times will not be published on Monday, January 2 1984.

BUSINESS SUMMARY

Shipbuilding strike talks adjourned

ACAS TALKS aimed at averting the national shipbuilding strike due to start in a week were adjourned last night with little progress made. The talks, set to resume on Tuesday, are aimed at solving the dispute over BS's plan for sweeping changes in working practices in return for a £7 a week productivity payment. Back Page

EQUITIES ended the year with a flourish, the FT Actuaries All-Share index closing at a record high of 470.5 and the 30-share making a fresh assault on its all-time peak. Momentum was provided by a leading broking



house's optimistic forecast of continued economic recovery in the New Year and by a leading NatWest executive's prediction that interest rates would decline. The FT Industrial Ordinary Index ended the year 179 points, or 30 per cent, higher at 775.7. International round-up Back Page

NATIONAL NEWSPAPERS are being threatened with legal action by the Office of Fair Trading over an agreement to reduce financial losses during a national rail strike by reducing the commission paid to wholesalers on each copy sold. Back Page

CBI DIRECTOR GENERAL Sir Terence Beckett said the Government must help business build on this year's "fragile" recovery by cutting the costs it imposes on industry. Page 3

EQUAL PAY legislation amendments which come into force tomorrow will not end pay discrimination against women, according to TUC general secretary Len Murray. He told the Government the "unnecessarily complex" changes would allow employers to continue paying women less than men for doing the same work in certain situations. Page 4

MINEWORKERS UNION national executive member Roy Ottey appealed for a national ballot on the continuation of the miners' overtime ban, now in its tenth week. The ban is in protest at the NCB's 5.2 per cent pay offer. Page 4

CANDECCA RESOURCES, the oil and gas group with substantial onshore acreage in Britain, said it had received a takeover bid from a substantial British company. Back Page

PORT OF LONDON authority will show a loss for 1983, but is now trading at a small profit and has increased productivity 15 to 20 per cent, raising hopes that it will avoid financial collapse.

BRAZIL finished the year with an official inflation rate of 211 per cent, the worst in the country's history. Page 2

MARKETS

DOLLAR

New York lunchtime:
DM 2.7265
FFr 8.3375
SwFr 2.183
Y 231.925

London:
DM 2.7225 (2.728)
FFr 8.3175 (8.35)
SwFr 2.1805 (2.18)
Y 231.55 (232.2)
Trade Weighted 129.2 (129.5)
Tokyo close Y233

U.S. LUNCHTIME RATES

Fed Funds 9¾%
3-month Treasury Bills: 8.97%
Long Bond: 101.03
yield: 11.88

GOLD

New York: Comex Jan latest $385.1 ($385.5)
London: $382 ($382.125)

STERLING

New York lunchtime $1.45
London: $1.4515 (1.4485)
DM 3.955 (3.955)
SwFr 3.165 (3.16)
FFr 12.07 (12.09)
Y336.5 (336.5)
Trade weighted 82.9 (82.8)

LONDON MONEY

3-month interbank:
mid rate 9¼% (9⅜)
3-month eligible bills:
buying rate 8¾% (8¾)

STOCK INDICES

FT Ind Ord 775.7 (+3.2)
FT-A All Share 470.5 (468.89)
FT-A long gilt yield index:
High coupon 10.1 (10.1)
New York lunchtime:
DP Ind Av 1260.16 (1260.16)

Chief price changes yesterday, Back Page

Knighthoods for chiefs of wide range of companies

BY MARGARET VAN HATTEM, POLITICAL CORRESPONDENT

INDUSTRIALISTS are prominent in Mrs Thatcher's New Year Honours list, with knighthoods for the chairmen of a range of companies from the oil industry to high technology.

Four new life peers include two former Labour Cabinet Ministers. Awards in the Civil Service include Mr Peter Middleton, Permanent Secretary at the Treasury, who becomes a Knight Commander of the Order of the Bath, as does Mr Gordon Downey, the Comptroller and Auditor General.

Sir Brian Cubbon, Permanent Under Secretary at the Home Office receives the Knight Grand Cross of the same order.

Nine knighthoods go to industrialists. These include Mr T. H. Bevan, chairman of Barclays Bank; Mr E. R. Nixon, chairman of IBM United Kingdom; Mr Philip Shelbourne, chairman of Britoil; Mr P. A. Thompson, chairman of the National Freight Consortium; and Mr P. I. Walters, chairman of BP. Also knighted are Mr R. J. Bailey, chairman of Royal Doulton Tableware; Mr J. R. Cater, recently retired chairman of Distillers; Mr Oswald Davies, chairman of Amec; and Mr A. J. R. Veale, managing director of GEC Power Engineering.

Life peerages include Mr Arthur Bottomley, a former Commonwealth Secretary, and Mr Fred Mulley, a former Defence Secretary. They were among the casualties of the list of 57 nominees originally drawn up by Mr Michael Foot, then Labour Leader, for peerages in the Dissolution Honours last July. Only seven of that list were accepted.

This time Labour submitted no nominations in any category. The Liberals were the only Opposition party to do so, securing a knighthood, two OBEs and an MBE. The two Labour peers were nominated by the Prime Minister. Dr David Owen, the Social Democrat leader, yesterday called for the abolition of the separate political honours list.

The other life peerages go to Mr Alistair McAlpine, the Tory Party treasurer, and Sir Peter Henderson, former Clerk of the Parliaments.

Mrs Thatcher has created three new Privy Counsellors — Mr Kenneth Baker, the junior Industry Minister; Mr Kenneth Clarke, the junior Health Minister; and Lord Gowrie, Minister for the Arts. Three Tory MPs — Mr Reginald Eyre, Mr Geoffrey Finsberg and Dr Gerard Vaughan — and one former MP, Mr Spencer Le Marchant, a former Tory Whip — receive knighthoods.

There is also a knighthood for Mr John Sparrow, who was head of the Central Policy Review Staff (the "Think Tank") until it was disbanded a few months ago.

In the broadcasting and television section there is a knighthood for Mr Alistair Burnet, the ITV news presenter, and an MBE for Mr Chriss Lucas Gittins, who is better known as Walter Gabriel of BBC Radio 4's The Archers.

Among those honoured in the arts section are Sir Steven Runciman, the historian, and Sir Sacheverell Sitwell, who are made Companions of Honour. There are CBEs for Mr Frank Finlay the actor, Mr Robert Tear the opera singer and Mr J. B. Wain, formerly Oxford Professor of Poetry; OBEs go to Mr Dick Francis, the thriller writer, Miss Ann Jellicoe, the playwright, and Mr Fulton McKay, the actor.

Details, Page 4

Gulf narrowly defeats Pickens

BY WILLIAM HALL IN NEW YORK

GULF OIL, the U.S. oil company, has narrowly defeated a dissident shareholder group led by Texan oilman, Mr T. Boone Pickens, in what has been billed as the biggest proxy battle in U.S. corporate history.

Gulf Oil announced yesterday that holders of 87.1m Gulf Oil shares equivalent to 52.2 per cent of the company's 166.9m outstanding shares, had voted in favour of the company's plan to reincorporate in Delaware, where corporate laws make it easier to fight off unwelcome activities by dissident shareholders.

Owners of some 30.6m Gulf shares joined the Pickens group in voting a total of 52.3m shares against the Gulf proposal. In an unusually heavy turnout, more than four-fifths of all Gulf shares were voted in the contest.

The decision to move to Delaware was taken after Mr Pickens, head of Mesa Petroleum, which has a reputation for shrewd dealing in oil shares, began buying Gulf oil shares. Since August, Mr Pickens and his associates have spent about $1bn (£689m) acquiring 21.7m shares, to become the biggest shareholder grouping in the oil company with a 13.2 per cent stake.

Mr Pickens, who has made more than $100m for Mesa shareholders through dealing in oil shares over the past year, opposed Gulf's move to Delaware.

He argued that the move would make it more difficult for him to persuade management to adopt his plan to spin off a substantial part of the group's domestic oil reserves to shareholders in the form of a "royalty trust." He argued that Gulf oil shares would be worth much more than their current $42 if shareholders supported his proposals.

Yesterday, both sides were claiming victory. Mr James Lee, Gulf's chairman, said the vote showed "our shareholders have strongly reaffirmed their support for the business strategy that Gulf has been pursuing."

He said the shareholders' "overwhelming rejection of the Mesa group's concept of breaking up Gulf through gimmicks such as a royalty trust" underscored the company's strategy.

Mr Pickins, however, said his investment group would not give up its efforts to restructure Gulf.

"The message they are sending is very clear. They want management to take positive steps to achieve enhanced value for their Gulf investment," said Mr Pickens of the many shareholders both big and small who had backed his opposition to Gulf management's reincorporation plans.

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For latest Share Index phone 01-246 8026

Shultz and Gromyko meet in January

BY STEWART FLEMING IN WASHINGTON

THE U.S. State Department announced yesterday that Mr George Shultz, the Secretary of State, would hold talks with Mr Andrei Gromyko, the Soviet Foreign Minister, in Stockholm on January 18 at *the European disarmament conference.*

The announcement is certain to be welcomed in Western capitals, where there has been deep concern about the lack of top-level contacts between the superpowers in the wake of the Soviet decision to pull out of the U.S.-Soviet talks on deployment in Europe of medium-range missiles, and its failure to set dates for resumption of negotiations on long-range missiles and conventional force reductions.

The last meeting between Mr Shultz and Mr Gromyko was an angry confrontation in Madrid in September after the shooting down by Soviet aircraft of the South Korean passenger airliner which had penetrated Soviet air space.

That tragedy sparked a fierce rhetorical response from the US and a further deterioration in relations.

There have recently been signs, however, that the U.S. was looking for ways to improve the diplomatic atmosphere.

Some top U.S. officials have indicated that the time has come to curb harsh anti-Soviet rhetoric.

Mr Shultz said at a Nato meeting in Brussels that he was "more than ready" to meet Mr Gromyko in Stockholm during the 35-nation conference on confidence and security building measures in Europe.

Anthony Robinson writes: The Soviet decision to send Mr Gromyko to the opening of the Stockholm conference represents a positive response to strong signals from Western Governments of their desire to resume high-level contacts after the Soviet walk-out from the arms reduction talks in Geneva.

It follows a wide-ranging review of Soviet foreign policy in recent weeks since failure of Soviet efforts to stop deployment of cruise and Pershing missiles.

Credit restrictions on Italian banks to end in New Year

BY ALAN FRIEDMAN IN ROME

IE BANK of Italy yesterday nounced it is lifting indivi-.al credit restrictions on nks, as from January 2. But e Italian central bank also id it would seek to place a obal limit of 12.5 per cent, or :8.000bn (£15.9bn) on mestic credit growth in 1984. Last June, the Bank of Italy ted formal credit controls, hich were to have placed a p of 14 per cent on the growth bank lending for the 12-onth period which ends day.

Since July, however, the ntral bank has carried on onitoring banks on a monthly sis by using what it calls moral suasion " effectively to ntinue restrictions on indivi-ial bank lending.

Senior bankers in Milan and ome have been called in to eet officials of the Bank of aly, to co-ordinate lending owth.

One banker last night utinusly welcomed the lifting the informal credit controls hich have been in place since ily. "This is good news, if it sts. When they said last June ley would abolish controls, ley told us to keep credit owth down to 14 per cent. In fact, the credit ceiling was not really abolished last June" he said.

Sig. Alfredo Solustri, of the Italian Employers' Association, Confindustria, yesterday *declared that the 1984 credit* limit of L38,000bn represented a cut in real terms of 10 per cent and threatened to short-circuit any economic recovery next year.

The Italian central bank yesterday said its monetary policy in 1984 would be designed to ensure an equilibrium in the balance of payments and continue the battle against inflation.

The latest inflation figures, released this week by the government's statistical bureau, Istat, showed that consumer *prices had risen by only 0.5 per* cent in December, the smallest increase for many months.

The real rate of inflation is now running at 12.8 per cent, while the median level over the past 12 months was 15 per cent.

The Government of Prime Minister Bettino Craxi is *hoping to bring inflation down* to 10 per cent by the end of 1984, but most economists outside the Government reckon a reduction to 11 or 12 per cent is more likely.

French taxmen's right to search homes overruled

BY PAUL BETTS IN PARIS

MID ALL the economic gloom, f this end of year in France, le French taxpayer was given break yesterday by the Counseil Constitutionnel, the ountry's leading legal uthority.

The council overruled a ontroversial article in he recently-approved 1984 udget law giving tax inspectors he right to *search the homes* nd offices of French taxpayers.

Under the article, tax nspectors would have been mpowered to make searches in rivate homes and offices to try o find evidence of tax fraud fter receiving a warrant from magistrate.

However, the Constitutional Council struck out the article from the 1984 budget law approved by the National Assembly, on the grounds that magistrates could not guarantee that the freedom of indivduals would be respected

The proposal had been included in the 1984 budget as part of the Government's latest campaign to try to halt tax evasion

Although many people in France believe tax inspectors already have the power to search private homes for tax fraud, this is a popular misconception.

Under an edict passed at the end of World War II, the inspectors were given the power to conduct searches as part of the administration's efforts to try to control the black market economy then in full swing.

But the 1945 edict limited searches to cases involving black market suspects,

Democrats to discuss U.S. policy on Lebanon

By Stewart Fleming in Washington

MR TIP O'NEILL, Speaker of the U.S. House of Representatives, has called a meeting of the group of House Democrats which monitors Lebanon amid speculation that Democratic congressmen may be about to fundamentally reassess their support for the Administration's Lebanon policy.

Mr O'Neill's office refused to say yesterday what is on the agenda beyond a discussion of the two recently published investigations into the bomb attack on the U.S. marines' headquarters in Beirut on October 23 which killed 241 servicemen.

Mr O'Neill was a key figure last September in rounding up congressional support for the *Administration's Lebanon policy* and in securing congressional authorisation for keeping the marines in Beirut until early 1985. Congressional critics of the Administration say that a shift in Mr O'Neill's position is essential for changing the Administration's policy.

The Beirut bombing investigation reports have reinforced the views of those congressmen who believe that U.S. policy is not helping to solve the crisis in Lebanon.

Congressional concern about Administration policy has already surfaced in the Senate where Senator Charles Mathias, a Republican, has introduced a resolution which would limit the marines' stay in the Lebanon to six months from last August 29.

The Administration's Lebanon policy is looking increasingly vulnerable politically. But the *Democrats have to be cautious* since they could lay themselves open to charges that they are attempting to exploit the Lebanon crisis for their own political ends

However, an opportunity for Mr O'Neill to reduce his support for the Administration has *been created by the calls from* Republicans and Democrats for a change in policy. They have cited the Pentagon commission's study of the Beirut bombing and the earlier report released by the House Armed Services Subcommittee. The Pentagon commission report went beyond an analysis of the security failures and suggested that the decision to send marines to Beirut was based on some incorrect assumptions.

Israelis fail to set economic policy

BY OUR TEL AVIV CORRESPONDENT

THE ISRAELI Government, torn by disagreement over budget cuts, yesterday again deferred decisions on an urgent economic recovery programme.

While the Cabinet spent six hours discussing proposals by Mr Yigal Cohen-Orgad, the Finance Minister, new statistics underlined the economy's deterioration.

Provisional 1983 figures from the Central Bureau of Statistics *put total foreign debt at* \$23bn (£15.8bn) and said the trade deficit for the year would be a record \$4.1bn (£2.82bn), some \$400m more than in 1982.

For the second consecutive year GNP rose by less than 1 per cent, the bureau announced.

With inflation for 1983 expected to be about 200 per cent, Mr Cohen-Orgad is pressing his Cabinet colleagues for quick and drastic measures, including across-the-board public spending cuts.

Three of the six coalition parties are strongly resisting some of the proposals and it appeared far from certain that the cabinet would get closer to agreement when it resumes its debate tomorrow.

Any resignations would create a government crisis for Mr Yitzhak Shamir, the Prime Minister, who has a slim parliamentary majority.

The English-language Jerusalem Post said yesterday that the situation is so serious that *the two biggest political groups* — the Labour Party and Mr Shamir's Likud bloc — have a national duty to form a new government to rescue the economy.

● Israeli soldiers guarded Moslem holy sites against terrorist attack yesterday after booby-trapped handgrenades exploded outside two mosques in the West Bank town of Hebron.

A telephone caller to Israeli radio stations said that the grenades were planted by a Jewish group called TNT (Terror against Terror) which has claimed responsibility for nine similar incidents at Moslem and Christian sites this month.

The caller threatened further action against Arabs in Israeli-occupied territory and thousands of soldiers were sent to guard mosques in Jerusalem and other towns for Friday prayers.

The attacks, coinciding with the influx of Christmas pilgrims, have become an embarrassment for the Israeli authorities, who have pledged to assure the safety of all religious sites.

The police say all the grenades are from the same Israeli army batch but they are not yet convinced that the attackers are Jewish. "It could *just as well be Arabs provoking* trouble," a spokesman said.

In the Jewish sector of Jerusalem, an explosive device was found on a crowded bus and safely removed by a passenger. Last month six Israelis were killed when a bomb exploded on a Jerusalem bus.

W. German Pershings 'operative'

THE FIRST group of Pershing-2 medium-range nuclear missiles, delivered to West Germany in November, are now operative, according to Herr Peter Kurt Wuerzbach, State Secretary in the West German Defence Ministry. James Buchan reports from Bonn.

Herr Wuerzbach would give no details, but the first nine missiles are known to be stationed with the U.S. 56th Field Artillery Brigade at Mutlangen in south-west Germany.

The missiles, flown in at the end of November, are part of a deployment programme which could comprise 108 Pershing-2 and 96 cruise missiles in Germany by 1988.

However, Herr Wuerzbach expressly repeated the Western Alliance's promise yesterday that "the missiles will be dismantled as soon as the Soviet Union scraps its superior missile force in a manner that can be verified."

Herr Erich Honecker, the East German party leader, yesterday appealed for a return to the policy of détente which, he said, had been derailed by the deployment of U.S. missiles in Western Europe.

Crew confirms ship attacked by Iraqis

Survivors from the Cyprus-registered cargo vessel MV Breeze confirmed yesterday that the ship had been attacked by Iraqi fighter-bombers as it approached the Iranian port of Bandar Khomeini on December 22. Our Middle East Staff reports.

A bomb struck the accommodation area of the 9,000-ton ship, killing the Filipino captain and a member of the crew. The six crew who survived said in Manila yesterday they did not know the fate of the other 22

Iranian salvage vessels later towed the ship out of the Khor Musa channel leading to Bandar Khoemeini

Incursions condemned

Britain yesterday condemned South African incursions into Angola and the bombing of the headquarters there of the Namibian nationalist movement, Swapo.

Polish food prices

Food price rises in Poland have been postponed until at least February because of strong public and union opposition, Prices Ministry officials said yesterday, AP reports from Warsaw. They indicated that the increases, averaging between 10 and 15 per cent and due to have been imposed next month might be delayed even longer.

Arafat in Tunis

Mr Yassir Arafat the Palestinian leader, arrived in Tunis yesterday for the first of a series of crucial meetings aimed at redefining Palestine Liberation Organisation policy, following his evacuation from Lebanon.

Brazil suffers record inflation rate

BY OUR SAO PAULO CORRESPONDENT

BRAZIL IS finishing the year with an official annual inflation rate of 211 per cent and a decline in gross domestic product estimated at between 4 per cent and 6 per cent, according to Government statistics. Both figures are the worst in the country's history.

Ministers admit that the recession, which began three years ago, will get worse. On the inflation front they have committed themselves to bringing the rate to an annual 125 per cent in the first quarter of 1984.

President Joao Figueiredo's term of office expires in March, 1985. or the greater part of 1983 he has been searching for a successor, to be endorced by the electoral college which meets in a year's time. But he announced on Thursday that he had been unable to obtain majority support for any candidate acceptable to himself within the ranks of the pro-government Democratic Social Party (PDS). The PDS has a majority in the electoral college.

President Figueiredo's preffered candidate is believed to be Colonel Mario Andreazza, the present Interior Minister. Within the PDS, the presidential hopeful who currently enjoys most support is Sr Paulo Salim Maluf, former governor of Sao Paulo State. But Sr Maluf is considered unacceptable by influential sectors within the armed forces and also by most businessmen, although he is an industrialist.

An opinion poll conducted among businessmen and other influential groups shows that the current preference is for Sr Figueiredo to be succeeded by Sr Aureliano Chaves, the Vice President. Results of the poll published yesterday by Gazeta Mercantil, a business newspaper, give Sr Chaves 45 per cent of preferences within the business community, while no other candidate obtained as much as 11 per cent of preferences.

The poll also revealed 82 per cent support for direct elections to choose Sr Figeuiredo's successor, in place of the electoral college system.

Asked to identify the most serious problems confronting the nation, respondents put corruption at the top of the list, ahead of the foreign debt and inflation.

Court charges Galtieri junta

BY DAVID WELNA IN BUENOS AIRES

GENERAL Leopoldo Galtieri, the former Argentine President, was yesterday charged with murder and torture in a summary court martial before the Supreme Council of the Armed Forces. The two other members of the ruling military junta *during* the Falkland Islands conflict, Brig Basilio Lami Dozo, the former Air Force commander, and Admiral Jorge Anaya, the former Navy commander, were also charged.

They, and the six other members of the three successive three-man juntas which ruled between *1976 and 1982*, have been so charged for having allegedly presided over the disappearance of more than 7,000 Argentines after the 1976 military takeover.

The court martial was ordered by Argentina's recently inaugurated civilian President Sr Raul Alfonsin. He signed into law this week the repeal of an amnesty law decreed by the former military government which protected members of the armed forces from prosecution for the disappearances. Two former presidents, General Jorge Videla and General Roberto Viola, were charged on Thursday in the same proceedings.

This is the second summary *court martial that General Gal*tieri and his Air Force and Navy commanders have faced this month, having already been arraigned for their handling of the Falklands conflict.

The proceedings are to continue next month despite the traditional suspension of legal activity during the forthcoming summer holidays here. The verdicts can be appealed against in civilian courts, where new evidence can be introduced.

In a related development former President General Reynaldo Bignone failed to appear in civilian court on Thursday where he had been accused of illegal privation of liberty in relation to the disappearance of a physicist five years ago. Gen *Bignone's* lawyer told the court that the former President was unable to testify because his wife was ill.

W. Berlin takes control of urban railway

By Leslie Colitt in East Berlin

EAST GERMANY'S Reichsbahn railways and West Berlin signed an agreement yesterday transferring to the city operation of the section of the S-Bahn urban rail system serving West Berlin.

West Berlin said the agreement, reached after two months' negotiations, represented a "fair and balanced compromise."

The Reichsbahn retains legal responsibility for the S-Bahn in Berlin as a whole but East Germany has rid itself of a loss-making service into which it says it has put DM 1.5bn (£380m) in subsidies. Except for a link between East and West Berlin, *S-Bahn services* in West Berlin were closed down two years ago. They could not compete with West Berlin's urban transport and were boycotted on political grounds by many West Berliners.

West Berlin will pay East Germany DM 3.4m annually to maintain a *tunnel* under a section of East Berlin jutting out into West Berlin territory. Trains do not stop at the stations there.

West Berlin plans to modernise the decaying S-Bahn at a cost of DM 1bn.

Venezuela's economy continues to falter

BY KIM FUAD IN CARACAS

VENEZUELA'S oil-fuelled economy continued to falter in 1983, with its first devaluation in 20 years, little progress in rescheduling a \$25bn (£16.6bn) public sector foreign debt, and steady erosion in oil receipts.

In separate year-end reports, Dr Arturo Sosa, Finance Minister, Dr Humberto Calderon Berti, head of the state oil monopoly, and Sr Leopoldo Diaz Bruzual, central bank president, had little positive to say about the performance of the economy.

Dr Sosa, however, insisted that the outgoing administration of President Luis Herrera Campins had achieved a num*ber of short-term goals.*

Among these were a 40 per cent reduction in imports from the 1982 level of \$13.2bn, a \$5bn balance of payments surplus on current account, international reserves of over \$11bn and inflation of only 7 per cent.

Sr Diaz Bruzual, who has steadily opposed Dr Sosa's gradual approach to resolving pressing problems, termed these accomplishments "artificial and cosmetic," calling for straight devaluation of the bolivar and more austerity in public expenditures.

Dr Sosa, who has avoided a flat devaluation since exchange controls were imposed last February and the current multi-tier system established, recommends gradual unification of the rate in 1984 to Dr Jaime Lusinchi, President-elect, who takes office next February.

Dr Lusinchi will inherit the problem of rescheduling the public sector's \$25bn foreign debt, in addition to resolving the country's estimated private sector foreign debt of between \$8bn and \$10bn.

Dr Sosa said in his report that progress had been slow on the debt due to lack of clear information on the size of both *public and private sector* borrowing.

The new administration will also inherit a state oil industry which has managed to paper over short-term cash-flow problems for 1984, but will see them reappear in 1985, according to Dr Calderon Berti, who is head of Petroleos de Venezuela.

He reported this week that sales came to \$13.9bn in 1983, down \$1.9bn from 1982 and far from the peak of almost \$20bn in 1981. He forecasts little change in oil receipts in 1984 and 1985.

Beer City sobers up —a bit

By Michael Thompson-Noel in Sydney

AUSTRALIA is just hours away from 1984—a predicament it will no doubt celebrate in the customary Australian manner, which means the mass imbibition of an extraordinary amount of grog.

As usual, the alcohol will be drunk from tubes, tinnies, middies, stubbies, schooners and the odd cracked cup.

Yet unless the evidence is deceiving, Australia's hangover this time tomorrow will be less than Orwellian.

The reason: a revolution in Australian drinking habits is taking place. At least it is in Perth, formerly called "Beer City" because the residents of the Western Australian capital were known to spend a greater share of their *income on beer than the residents* of other Australian cities.

The commodity that has restored Perth to life, and exhumed intelligible conversation, is a low alcohol beer, Swan Special Light. It is so low in alcohol (0.9 per cent by *volumes*) *that it* can be sold in non-licensed premises.

It is made by Swan Brewery, part of the empire of Mr Alan Bond, the Perth businessman and plunderer of the America's Cup.

According to the brewery Swan Extra Light is less than a fifth as alcoholic as its regular Swan and Emu brands and has already captured 10 per cent of Western Australia's packaged beer sales.

Precisely what that means is very hard to quantify, but as Swan claims 99 per cent of the state's total beer sales, it adds up to a surge of sobriety.

In the northern hemisphere low alcohol beers are, of course, two a penny, but in arid Australia—a country that was christened in grog and has lurched ever since — Swan Special Light has proved such a *novelty that it has had to be* rationed.

After it was launched in July supplies ran out within a few days so that capacity had to be increased. It was back on stream on December 5 but again there was a panic and again it was rationed.

Swan's marketing *director*, Mr Terry Edmundson, says that eventually Swan Special Light may be sold in other Australian states, and in South East Asia.

If Australians are experimenting with sobriety—the case is by no means proved—a prime cause must be the introduction of far tougher drunk driving laws.

In New South Wales, for example, where random breath-testing has been in force for a little over a year, drunken drivers face fines *ranging up to* A\$2,000 (£1,240)

As a result the state's road death toll has dropped sharply to 965 so far this year against 1,248 for the same period last year.

As the holder of a NSW learner driver's permit, I can only applaud these figures, though my hour-long lessons are still an imitation of "The Return of the Jedi."

A second factor contributing to the sobering of Australia may be that the country is now ruled by a Prime Minister, Mr Bob Hawke, who is himself a teetotaller, having sworn off the grog in 1980.

Either way, the odds are that Australia will enter 1984 a little less bleary eyed than may have been thought possible.

Gandhi retains party presidency

CALCUTTA — The Congress (I) Party of Prime Minister Indira Gandhi ended its first plenary session in eight years yesterday leaving her as the party's president.

An unofficial resolution proposing election of Mr Rajiv Gandhi, Mrs Gandhi's son, to succeed her as party president, was not moved. AP

Athens' EEC Presidency has been clouded by a call for lifting of a life sentence

Jailed colonel's appeal embarrasses Greece

BY JOHN WYLES AND ANDRIANE JERODIACONOU IN ATHENS

THE CLOSING days of Greece's tenure of the Presidency of the EEC's Council of Ministers have been clouded by a somewhat embarrassing appeal for release from lifetime imprison*ment by Mr Nicolaos Makarezos*, a former member of the "Troika" of colonels who overthrew Greek democracy in 1967.

Mr Makarezos, who is now 64 and was deputy Prime Minister between 1971 and 1973, has lodged a 17-page document with the Council of Ministers alleging that "for many years I have been a political prisoner in violation of the law of the European Community."

With the help of a Rhodes-based lawyer, Mr Panaiyotis Charitos, Mr Makarezos has constructed a legal argument that *his continued detention in Kory*dallos Prison between Athens and Piraeus is a breach of "Community freedoms."

He calls on the Council to take the necessary steps to secure his release.

The Greek Government is upset that Mr Makarezos has managed to slip his appeal into the Council towards the end of their six-month Presidency.

They are even more annoyed, however, by the fact that the Council secretariat have taken the appeal seriously enough to make it an official document and to distribute it to each of the Ten national delegations.

Refused comment

Normally, it is argued, any such individual appeal would be referred to the legal service to be dealt with. Instead, the *Council appears* to be taking up a matter which many lawyers, and the entire Greek government, would believe is outside the competence of Community institutions.

The Council secretariat has refused any official comment. Meanwhile, the distribution of Mr Makarezos' appeal around *Brussels is regarded in some* delegations as no more than an error by some over zealous junior official. It is highly unlikely ever to be put before Ministers.

According to his lawyer, Mr Makarezos is suffering bad prison conditions. His appeal to the Council appears to be a preliminary move towards raising his case at the European Court in Luxembourg on the grounds that the Council has failed to respond properly.

Though Community law touches many aspects of individual human rights, it does so only through legislation establishing collective rights, Mr Makarezos' appeal argues that these presuppose "the safeguard of the basic individual freedom of each European citizen."

'Virtual isolation'

"If I am deprived of my personal freedom, how can it be possible for me to exercise the 'Community freedoms' and the other rights which European law grants me?" he asks.

Mr Yiannis Makarezos, the defendant's son, said: "The prisoners live in 2.5-metre by 3-metre cells. They are in virtual isolation at night and during part of the day."

He conceded, however, that health care conditions have improved since the coming to power of the Socialist Government in Greece in 1981.

The former colonel was sentenced to full life imprisonment in 1975 after he and other leaders of the military junta had had their death sentences commuted. He claims that he was sentenced under legislation passed by the new Greek Government in 1975 which was applied retrospectively.

This was despite the fact that the then government, headed by Mr Constantine Karamanlis, now President of Greece, had chosen to retain an amnesty passed in August 1973 which apparently freed all participants in the 1967 coup from the risk of criminal prosecution.

Several pages of the appeal are given over to a lengthy defence of the military junta's record, particularly in the economic sphere, since Mr Makarezos was Minister for Economic Co-ordination between 1967-73. The admission of Greece to the EEC was "a result of our achievements," he claims.

How BAT won its battle to land the Eagle in Britain

Charles Batchelor on the takeover bid rivalry which led to Munich and the brink of a deadline

BAT INDUSTRIES and Allianz came within one day of a "shoot out" over their rival bids for Eagle Star. It was late on Wednesday before the talks had progressed far enough to persuade Mr Patrick Sheehy, BAT chairman, that it would be worth flying to Munich for a final round of talks with the Allianz management.

Agreement on the £7 price tag to be paid for each Eagle Star share was reached fairly early on Thursday. But haggling over what BAT called "the sub-clauses" nearly resulted in Mr Sheehy and his two fellow-directors, Mr John Symons and Mr Brian Garraway, missing the last flight out of Munich airport back to London that night.

The clauses which caused the most difficulty were those which give Allianz a let-out should a third bidder emerge with a still higher offer, and those explaining Allianz's reasons for pulling out.

Allianz and its merchant bank advisers, Morgan Grenfell, were concerned to protect the German company's position and avoid creating the impression of a climbdown. BAT was anxious not to leave the door too wide open for a third bidder.

The decision by the Takeover Panel on December 21 to set a deadline of 4.30 pm yesterday for final bids meant the rival suitors faced the prospect of making a stab in the dark. With both sides approaching the limits of what they were prepared to bid, neither wanted to be rushed into paying too much.

Allianz made the first move in the middle of the week before Christmas, choosing as a go-between someone it described as "a well-known personality in the German economic and political world with good relations with British industry," to approach BAT.

Mr Sheehy responded immediately, according to Allianz, and flew to Munich for exploratory talks just before Christmas. Negotiations between Mr Sheehy and Dr Wolfgang Schieren, the Allianz chairman, continued on the telephone on the Wednesday after Christmas.

"It was still on the cards that it could get nowhere," said BAT. "It did not move on Wednesday at all, though arrangements were made to justify a flight to Munich on Thursday."

One issue which held up the "very hard negotiations" on Thursday was the position of Morgan Grenfell which, on December 14, with Eagle Star's shares at about 716p, had advised shareholders in the company not to sell in the market since Allianz was considering further moves.

Morgan Grenfell said: "That statement was agreed with the Takeover Panel and they accepted it was not related to the price. If we had remained silent, BAT would probably have bought shares in the market and it is unlikely Allianz would have come back with a higher offer.

"We were careful to make sure valour did not get the better part of discretion, particularly since Allianz was a cash purchaser. The bidding reached 28 times Eagle Star's 1982 earnings. The stock market value of the company has trebled in just over two years, while its underlying circumstances have not altered radically."

Morgan Grenfell is understood to have been embarrassed when negotiations between Allianz and BAT indicated agreement would be reached on a £7 offer, leaving shareholders worse off than if they had sold in the market on December 14.

In spite of the rivalry for the hand of Eagle Star, BAT, which has substantial interests in West Germany, is keen to work with Allianz in the future. Both sides believe there may be other areas of possible co-operation between them in insurance, industrial investments and financial hervices, they said in their joint statement.

BAT's German holding company, recently renamed BATIG, had turnover of DM 8.34bn (£2.1bn) in 1982 from its cigarette, floor covering, home improvement and retailing businesses. It has ordinary share capital of DM 640m and a consolidated balance-sheet total of DM 2.4bn.

BAT has already announced plans to expand both its Pegulan and Hüppe floor covering and home improvement business and its retailing arm, represented by a 35 per cent stake in the Horten stores group and its ECE subsidiary, engaged in shopping centres.

Less opportunity for growth is seen for the tobacco side—BAT's HB brand is one of Germany's top selling cigarettes—which now accounts for just over half the German turnover.

In common with many other German financial groups, Allianz has large minority holdings in a wide range of industrial companies.

Mr Detlev von der Burg, Allianz director in charge of international operations and one of the group's four-man negotiating team, said however that co-operation in financial services is the most likely route to be followed.

While BAT will be working closely with Eagle Star to develop its financial activities, Allianz feels it can offer greater expertise in some areas. It has a greater penetration of the U.S. insurance market and close links with a number of German financial institutions.

BAT now envisages a three-stage development of its links with Eagle Star, which will be run with a fair degree of independence with its own board. Two directors from each company will take a seat on the other's board.

"First, we want to set up a good working relationship to develop the existing business," said BAT. "Second we want to help Eagle Star develop overseas.

"Third, we want to sit down with their experts and work out a more detailed long-term strategy for getting into other financial services. This implies further acquisitions over a period of time, though they would be small ones, and with a strong emphasis on growth overseas."

A big question mark now hangs over how Allianz will fulfil its long-expressed wish to break into the UK insurance market. One result of the long takeover battle has been that Allianz has been approached by insurance companies from around the world—including, according to Morgan Grenfell—companies in London.

Any future approach, said Mr von der Burg, will have to be radically different to the failed Eagle Star bid. Allianz believes it was, to an extent, unlucky in picking a company with a particularly determined chairman in Sir Denis Mountain—who waged a strong personal campaign against the German bidder. Sir Denis is the third generation of his family to head Eagle Star.

Allianz has been criticised for its apparently hesitant approach to the bid. Contested bids are unusual in West Gerr given the large institut holdings in many comp shares and the close between industry and fina

Mr von der Burg said: were not buying just a new or three shirts. We were ing about £600m. Even a company has to think We did not intend to use d ing tactics. Buying Eagle would have put all our eg one basket.

"I would not like t months like that again. learn a lot," he said.

Sir Denis Mountain saic foresaw an exciting future Eagle Star under BAT. very pleased with the offer our shareholders, our p holders and our staff. agreement is much more s factory than a 'shoot out'."

Eagle Star will retain an dependent non-executive b of directors, unlike the o three divisions of BAT, to after the interests of its p holders.

Sir Denis said there was s concern among other UK in ance groups that Allianz w now be looking for another partner. Had BAT not eme with its rival offer, it is li the Allianz offer would h been referred to the Monopo and Mergers Commission, said.

Sir Denis said he was gi a tip late on Thursday t agreement had been reac between BAT and Allianz. have spent the past 48 ho clearing up a little mail." added. "We have been on d patrol for God knows how m months."

Sir Denis Mountain, chairman and managing director of Eagle Star, who waged a strong personal campaign against the German bid

Stock Exchange reform plan criticised

Financial Times Reporter

MR ANDREW FORREST, chairman of the Glasgow stock market, yesterday criticised the plan for the phased abolition of minimum commissions by December 31 1986 which the Government has agreed with the Stock Exchange.

He said: "The time allowed for this radical change is far too short. In America the move to negotiated commissions in 1975 was carried out on the 'Big Bang' system but the run up to this change took many years."

Even then there had been "blood-letting caused by the slashing of commissions, followed by a raising of commissions by the survivors."

Mr Forrest favours a six-year changeover period.

He also said he would like to see a broader spectrum of people owning and taking an interest in shares. "Deregulation in the U.S. has brought positive advantages to industry, and the accumulation of capital," he said, pointing out that one in five U.S. adults owns shares, compared with one in 25 in the UK.

He also criticised the Government's "neglect" in allowing the pound to lose value against the U.S. dollar. "The fact that the rate is now about $1.43 will not reopen the roofless factories."

Sony steps up compact disc player price war

BY JASON CRISP

DISAPPOINTING sales and growing competition have sharpened the price war in the market for compact disc players.

Sony, the market leader in the UK, yesterday announced it was cutting the price of its player by £90 to £459. The move follows the end of a Christmas promotion, in which a Sony Walkman portable cassette player was given away with each compact disc player.

The revolutionary hi-fi system was developed by Philips of the Netherlands and Sony of Japan, and has been adopted by most of the world's leading consumer electronics companies. It was launched in the UK last March.

The technology is based on Philips's Laservision videodisc system. A small laser "reads" billions of minute pits on the surface of a 5 in silver disc. The single-sided disc plays for one hour, does not wear with playing and is not easily damaged.

The digitally recorded sound from compact discs is of very high quality, and they are expected to replace conventional long-playing records eventually. Compact discs have been launched in most leading countries in the world, starting with Japan in October 1982, Western Europe in spring this year and the U.S. in June.

Sales in the UK have been comparatively weak. In the first nine months, fewer than 20,000 players have been sold, even though most shops sold out at the time of the launch.

Sony and Philips now say that 20,000 is close to their original expectations, although a figure of 40,000 was suggested at the time of the launch.

Philips cut its prices at the beginning of October by £100 to £399.95 for its cheapest player. The Philips price cut coincided with Sony's promotion campaign with the Walkman.

In spite of having the more expensive products, Sony claims 60 per cent of the market for compact disc players in the UK, while Philips claims just over 20 per cent.

The Sony product is generally acknowledged to be better looking and has a number of extra facilities, such as remote control and cueing devices, which can select which tracks are played.

Competition has been growing rapidly since Philips and Sony launched the players. Competitors in the UK include Hitachi—which has the cheapest model at £349—Akai, Sharp, Technics (National Panasonic), Marantz (Philips), Fisher (Sanyo), and Yamaha—which has the most expensive player at £995.

Sony said the slow sales of compact disc players in the UK was because prices had remained higher than in other countries. The UK boom in home computers may also have slowed compact disc sales.

"Prices seem to be paramount," said Mr Ian Duffel, audio manager at Sony. "But we cannot move too quickly because of the shortage of discs."

At the moment there are only two major plants producing discs in the world—Polygram in Hanover and CBS/Sony in Japan.

Matsushita is building a major disc facility in Japan and CBS/Sony is building a plant in Indiana in the U.S. Nimbus Records, Forward Technology, British Compact Disc and PR Records have all said they will press compact discs in the UK.

The discs cost about £10 each, and about 500 titles are available in the UK, including 50 imports. About 15 discs have been sold for each player. According to Sony, the typical purchaser is a wealthy lover, rather than a hi-fi enthusiast.

Compact discs have had a mixed reception in the specialist hi-fi Press. One of the biggest problems is that compact disc players tend to show up weaknesses in the original recordings.

Consumer spending fall in 1984 forecast

By David Churchill, Consumer Affairs Correspondent

CONSUMER spending is likely to slow down in 1984, says a report published by Staniland Hall Associates, a leading firm of economic forecasters.

It believes the decline will be from a rate of growth (at constant prices) of 3.75 per cent this year to about 2.25 per cent in 1984.

"Incomes are expected to rise a little faster, thanks to steadier employment and no more than a slight downturn in average earnings," the forecasters say. "At the same time, at least a temporary end is likely to the fall in the savings ratio that has helped sustain spending over the past two years."

Staniland Hall also argues that part of the boom in spending on consumer durables in the past few years has been due to consumers using funds earmarked for extra mortgages.

The forecasters expect this factor to lessen over the next two years, leading to "a marked but not precipitate decline" in the growth of spending on durables.

New car registrations are also expected to fall from a 1983 peak of 1.8m, the report says, and are not likely to reach that peak again until 1987.

Consumer Spending Forecasts, Staniland Hall Associates, 42 Colebroke Row, London N1: £255 a year.

Government urged to cut industry's costs

BY JOHN LLOYD, INDUSTRIAL EDITOR

GOVERNMENT must help business build on the "fragile" recovery of 1983 by cutting the costs it imposes on industry, Sir Terence Beckett, director general of the Confederation of British Industry, said yesterday.

Sir Terence, in a New Year message, repeated the consistent theme of the CBI over the past year—and one which has been amplified in recent months.

Central and local governments could create the right economic climate for continued growth by bringing down the National Insurance surcharge and contributions, interest rates, energy costs, and local authority rates, he said.

"They should also continue their search for greater economies in the costs of administration and switch the money saved to rebuilding public services like the transport, water and sewerage systems on which our overall efficiency as a nation depends.

"That would boost our hard-hit construction industry, reduce unemployment, minimise the cost of social benefits and increase the Government's tax income, without any significant increase in imports."

Sir Terence stressed, however, that the "bulk of the task is for management" and that in the struggle to compete, prices must be kept down by keeping wage settlements down.

"That is paramount in the battle against inflation. At the same time, we want to build on the significant improvements in productivity which have been achieved in the past 12 months.

"We must boost profitability so that investment in research and development can be stepped up to bring in new products and new factories can be built to make them."

He said that the improvement in 1983 was real—but his greatest concern was that it should be sustained.

"There is still a long way to go. There are still more than 3m people in Britain without jobs. If we are to help them find work, we must do everything we can to ensure that British products and services are competitive in world markets—not only in price, but in quality, design and performance and after-sales service.

"We must make the goods that people want, not those we think they ought to have.

"In today's world, in which there are too many goods and too few buyers, we must never forget that the customer can always take his business elsewhere."

Lada to cut base model car price by £150

By Kenneth Gooding, Motor Industry Correspondent

LADA IS to cut the price its range's base model by £1 to £2,399 for next year. Th will make the Soviet-built c one of the lowest-priced on t British market.

The move will provide t Lada import company with i main marketing platform ne month, a month in which priva buyers predominate and which buoyant demand for ne cars is usual.

The five other models in th range, however, are to rise i price by between 1.5 per cen and 3 per cent.

The new prices are: Lad 1200 £2,399 (£2,549), Riv £3,158 (£3,075), 1200 estat £2,927 (£2,844), 1500DL estat £3,375 (£3,292), 1600 saloo £3,413 (£3,330) and the Niv £5,287 (£5,204).

The Lada on-the-road supple ment covering delivery, numbe plates and 12 months' tax als rises, from £190.80 to £194.83.

Lada is improving its war ranty on all models to tw years of unlimited mileage fron January 1, covering both ser vice and parts, at no extra cos to the customer.

By the end of this November Lada had registered 18,321 cars in Britain, up by 12.6 per cent from 16,269 in the corresponding period of last year.

However, Lada sales just failed to keep pace with the total market. The company's share fell from 1.09 per cent to 1.06 per cent by the end of November.

Britain will not quit Unesco

THE GOVERNMENT has no intention of following the U.S. decision to withdraw from Unesco, the cultural agency of the United Nations, the Foreign Office made clear yesterday in a statement which stressed that Britain was better placed to achieve improvements and economies from within the organisation.

The American reasons for withdrawal were given as the extravagance of Unesco and its "hostility" to a "free society."

The Foreign Office statement said: "The United Kingdom fully understands the reasons which have led the U.S. to take their decision to withdraw.

"We have always been foremost among those member-countries of Unesco which have been critical of the organisation's performance in many areas.

"We have, in particular, led the resistance to all attempts to restrict the freedom of the media through a 'new world information and communications order', and to re-define human rights in a way which would only restrict them for the individual.

"We have fought hard to keep down the organisation's costs, particularly at its Paris headquarters.

"During the last general conference in October-November 1983 the UK together with other like-minded countries, secured a significant reduction in the organisation's proposed budget and successfully resisted attempts to encroach on the freedom of the media.

The statement added: "After consulting members of the UK National Commission we have decided that the UK would do better by continuing to seek reform from within than by attempting to influence Unesco from the outside."

Managers 'would forego tax cuts for infrastructure investment'

BY IAN HAMILTON FAZEY

NEARLY three-quarters of Britain's managers are willing to forego cuts in personal taxation to help finance investment in the country's infrastructure, according to a survey by the British Institute of Management.

Half of the managers surveyed would be willing to accept a tax increase if the money went towards labour-intensive projects such as improving roads or maintaining sewers.

The institute conducted the survey among a representative sample of its 74,000 members and of the 20,000 members of the Institution of Industrial Managers.

The results have been sent to Mr Nigel Lawson, the Chancellor, who has already indicated that tax cuts are unlikely for some time, in spite of the Government's belief that they would provide an important incentive for managers and thus help economic recovery.

The survey suggests that most of Britain's managers do not agree.

Managers were asked to rank increased public investment in the infrastructure, lower interest rates and tax reductions, according to which they thought would do most to sustain recovery. Tax cuts were ranked bottom by 67 per cent, while 48 per cent voted lower interest rates most important, and 46 per cent favoured public investment having top priority.

Asked whether the institute should postpone its demands for income tax cuts, 73 per cent said it should, and 50 per cent said they would accept a penny or two on the basic rate if the £1bn so raised went to roads and sewers. However, 47 per cent said tax increases would not be acceptable.

About 25 per cent of the sample thought further revenue could still be raised from cuts in public current expenditure and through a more efficient public sector. A similar proportion made unemployment a high priority for action, urging the selection of labour-intensive, necessary capital projects for public funding.

However, there was concern that money raised from tax increases might find its way into public sector current spending instead.

Commons plan to make MPs smarter

A FASHION show and a health food display are being considered for the terrace of the House of Commons next year in the hope of making MPs trimmer and smarter.

Mr Charles Irving, Conservative MP for Cheltenham and chairman of the Commons catering committee, said: "We are considering inviting students of Gloucestershire College of Art and Design in Cheltenham to put on a fashion show of their own creations, coupled with a display of health foods, also prepared by the students.

"This will encourage people to consider their diets and it could produce a new breed of healthy MPs."

Park Royal printing plans break down over manning

BY OUR INDUSTRIAL EDITOR

TALKS aimed at continuing limited production at the British Printing and Communication Corporation plant at Park Royal, West London, now appear to have ended in failure.

The talks, which centred round introduction of two new printing presses at the plant at a cost of £10m, and closing of all other presses, are understood to have broken down on the issue of manning for the new machinery.

The negotiations were conducted between Mr Robert Maxwell, chairman of the corporation, and Mr Bill Keys, general secretary of the main print union, Sogat '82.

The militant London Central Branch of the union insisted on a higher staffing ratio than is common elsewhere in the country, and no compromise between the two sides seemed possible.

The dispute has meant that the Radio Times and The Listener, produced at Park Royal for the BBC, have been shifted to other BPCC plants. London Central has blacked distribution of the magazines in the London area.

It is now thought likely that any further talks between management and the union will be confined to lifting blacking of the magazines and to redundancy terms for the Park Royal workforce.

In the course of the dispute, Sogat members occupied an electricity sub-station beside the works in an attempt to stop its shutdown. The plant is virtually deserted.

Supporting industrial action began at the three British Printing Corporation plants at East Kilbride, Bristol and Leeds, to which the BBC contracts were moved.

However, after Sogat 82 was faced with a joint injunction against such action from the BBC and the corporation, the action was called off and work resumed at the provincial plants.

Safety aid for blind pedestrians

AN INVENTION by a former chauffeur could make crossing the road safer for blind and handicapped people. A battery-powered flashing walking stick invented by Mr Derek Sanday and made in his garage at home, has been taken up for development by unemployed teenagers learning electronics at Cardiff's Information Technology Centre, part of the Government's Youth Training Scheme.

The design includes a bright light built into the cane, as well as a tiny audible bleep

Warning of growing 'feasibility gap' for offshore construction yards

MR TOM CANDLISH, chairman of Highlands Fabricators, has warned of growing differences between oil companies and offshore construction yards.

In a letter in the house newspaper Hifab News, Mr Candlish says: "A feasibility gap is appearing between the expectations and demands of the designer and the actual physical practicability of meeting these requirements."

He calls for a closer relationship between oil companies, their designers and fabrication yards. Costs had increased with increasingly stringent welding specifications and designers wanted to guarantee the structural integrity of offshore structures. This meant designers were becoming more specific about their requirements.

"Nowadays it is not enough to show that we are meeting the weld acceptance standards set by the designer, we are now being told exactly how a welder should deposit the weld."

Mr Candlish's letter reflects the difficult adjustments forced on the construction industry by the increasing demands of the offshore industry. Hifab at Nigg in the Eastern Highlands encountered extensive technical difficulties with the welds when preparing a revolutionary type of offshore platform for Conoco.

Among the problems at the Scott Lithgow shipyard on the Clyde were the difficulties of meeting the new design specifications for offshore work. Specially qualified welders were required and work needed extensive surveying before it could be certified. On December 19, Britoil cancelled an £88m contract at the yard for a semi-submersible drilling rig because it was two years behind schedule.

Following its own welding difficulties and an industrial dispute over a cost-cutting exercise, Highland Fabricators says it is hoping to complete the hull for Conoco's tension leg platform by May.

The workforce, which management was trying to reduce by about 400 to 1,600, has been temporarily increased to about 5,000 to catch up on time lost in the past year's difficulties.

But Mr Kevin Barry, chief executive of Hifab, said in the same Christmas and New Year edition of Hifab News, that overheads and costs were still too high for the type of contract which the company expected to follow the tension leg platform hull.

He said the company must continue to slim down and increase its competitiveness.

SIR PHILIP SHELBOURNE, chairman of Britoil, is still willing to discuss the cancelled oil-rig order that is threatening 4,500 jobs on the Lower Clyde.

He told Scottish churchmen, who recently appealed to both sides in the dispute to avert a social and economic disaster, that he would consider "even at this late date" any concrete proposals from British Shipbuilders.

He warned, however, that if British Shipbuilders insisted on contesting the cancellation in court then talks would become increasingly difficult.

He was replying by letter to a telex message from the Church of Scotland and the Catholic Church. This had urged renewed talks.

His company cancelled its £88m order on December 19, claiming the rig was already two years behind schedule.

The Greenock yard is left with one order, a £60m rig for BP which is also running late. Scott Lithgow faces penalty payments on that order and the possibility of complete closure by next spring.

"We have been conscious throughout this year of the effect of cancellation of our order on hull 2002 and we have used every endeavour to introduce an element of realistic negotiations into this matter," Sir Philip said.

He said it had to be recognised that the delays in delivering this order were substantial and he called for a fundamental renegotiation of contract terms.

Peter Marsh examines the application of science to football

'utting the boot in on grass pitches

Stuttgart Athlete, a new-
:r to British football, will
e several guest appearances
he grounds of some of the English and Welsh league
s during the remaining
.ths of the season.

.is a presence which could
new meaning to well
ered footballing clichés such
"soccer machine" — the
:lete" is a computerised
.ng device, built in West
many, which simulates what
pens when a footballer
aps his boot on to a patch
urf.

he hardware measures the
rgy transmitted to the foot-
field, in a process which
resents scientifically what
er players call the "feel"
a pitch. It is part of a
ery of equipment that scien-
s will wheel on to pitches
n Hartlepool to Brighton.

he exercise, co-ordinated by Sports Council, should pro-
e by the summer the first
delines as to whether syn-
tic materials can fully
lace the traditional grass
cer pitches.

The results could boost the
es of artificial materials for
ying areas, not just to pro-
sional clubs but to local
horities and amateur sport-
g organisations.

As a result of the project,
re clubs could follow the lead
Queens Park Rangers and
tall synthetic playing areas.
Such pitches can be shared
re easily with other users
cause of their greater
rability. Thus they lend
emselves to sports and enter-
nment centres, perhaps run
conjunction with councils.

Many of Britain's professional
ubs are considering whether
recrganise themselves to
come part of such centres, as one way of easing their crippling financial problems.

In the past year the number of synthetic soccer pitches in Britain has increased from 18 to 42, says the Sports Council. At an average of £300,000 a pitch, that represents a business worth nearly £8m annually.

Artificial pitches are generally made of polypropylene matting, in which the pile density and size can vary greatly. In the more sophisticated types, sand is poured between the pile to produce a level of resilience similar to real turf.

In recent years, another development has improved the characteristics of artificial turf. Builders dig several inches below ground and fill the hollow with sand or a similar *material. This deadens* the bounce of a ball to give conditions more like a grass surface.

Synthetic materials are accepted in many sports, such as hockey and athletics, but football has been slow to abandon tradition.

Soccer players have complained that synthetic pitches lead to playing conditions very different from those on grass. The extra bounce and different frictional forces give a game, they say, that resembles a footballing version of ping pong.

This criticism has been levelled at the north London ground of Queens Park Rangers, whose synthetic pitch was installed in 1981. The Football League will evaluate it after the current season ends in June. In theory, if a majority of clubs say they do not like the playing surface, the League could order the club to tear it up.

Although football has been our national game for over a century, no-one has worked out specifications for the characteristics of pitches.

Observers in the sports-materials industry say Queens Park Rangers paid insufficient attention to installing a proper base to the pitch.

In the forefront of other clubs that want to put the boot into traditional surfaces is Luton Town, which plans a new £27m indoor stadium, complete with synthetic turf, for 1985, as part of its controversial move to neighbouring Milton Keynes. The stadium would include dance studios, an ice rink, *amusement arcades and other* facilities.

Mr John Smith, the club's managing director, says the football pitch could double as a site for exhibitions and concerts, which would make essential the move to an artificial surface.

Mr Smith supports the new Sports Council investigation. "We must have some specifica*tions for the industry to follow.* If we get these right, we could see an enormous increase in the use of the new materials, both in the professional and amateur game."

Although football has been Britain's national game for well *over a century, no one has* worked out detailed specifications for the characteristics of soccer pitches.

The Sports Council project will attempt to give scientific answers to vexed questions, such as how far a player will *slide when he lunges in with a* tackle. The soccer boffins also want to find optimum values for factors such as the degree of bounce in a pitch and how far balls will roll.

Another goal is to discover a figure for the correct amount of friction in a pitch. On this depends whether a forward *racing* down a wing can "cross" the ball to the centre of the field before he is dispossessed by an opposing player.

The £50,000 Sports Council programme is spearheaded by a committee of experts chaired by Sir Walter Winterbottom, the former manager of the England football team, who is one of Britain's leading soccer gurus.

Bodies such as the Football League, the Football Association and the Professional Footballers' Association, the *soccer players' union, are also* represented.

Call made for ballot on miners' overtime ban

By Our Industrial Editor

A MEMBER of the National Union of Mineworkers' national executive has appealed for a national ballot vote on the continuation of the mineworkers' overtime ban, now in its tenth week. The ban is in protest against the National Coal Board's 5.2 per cent pay offer.

Mr Roy Ottey, secretary of the 6,000-strong power group—the mine craftsmen — said, yesterday: "We should not be afraid of a ballot. The members are the union and we just carry out their instructions."

His call followed the 40-strong North Staffordshire pit winders branch vote to take 24-hour strike action if pickets prevent them from defying the overtime ban on January 7. Winding men, who usually do overtime work at weekends, have not done so over the course of the ban.

The North Staffs winders had postponed a mooted return to normal working earlier this month in the hope that a meeting of the *executive last week* would arrange a national ballot.

However, Mr Arthur Scargill, the NUM president, said after the executive meeting that the overtime ban was working better than had been expected, and that there was no intention of calling a ballot.

Mr Ottey said yesterday that more miners now appeared to be questioning the effect of a ban. He said: "It would be a sad day for all pitmen and tragic for the union if a sort of civil war broke out in the North Staffordshire coalfield."

Mr Steven Higginson, the North Staffs winders branch secretary, said last night: "If we are stopped from fulfilling our sixth shift contracts by pickets at any one of those pits we will stage a 24-hour strike on Monday January 9. We realise we would be striking against our own union, but that is how strong we feel.
Rasww"

"The NUM has always been very dramatic but we feel something has gone wrong lately. We wanted a national ballot on the overtime ban but we did not get it. I am sure the winders speak for a large section of the union who are perhaps too apathetic to get off their backsides and fight the executive committee."

The NCB has refused to consider an increase in its wage *offer, and says the ban has not* affected its ability to supply customers from the 25m tonnes of reserves still at pitheads.

Murray gives warning over equal pay legislation changes

BY JOHN LLOYD, INDUSTRIAL EDITOR

MR LEN MURRAY, the TUC general secretary, has told the Government that its amendments to Equal Pay legislation—which come into force tomorrow—will not end pay discrimination against women.

In a letter sent to Mr Alan Clark, the junior employment minister, earlier this month, Mr Murray strongly criticises the amendments, saying that they are "unnecessarily complex" and will still allow employers—in certain situations—to pay women less than men for doing the same work.

Mr Murray's protest comes at the end of an 18-month period during which the Government has tried to amend the 1970 Equal Pay Act to bring it into line with European legislation. This follows criticism by the European Court of Justice that women in the UK could not effectively claim equal pay for work of equal value.

The Government changes, embodied in several orders, do mean that women will be able to bring equal value claims before industrial tribunals.

However, employers will also be able to use the justification of "market forces" before the tribunals in order to explain why they are paying higher rates to men than to women. The TUC says this could mean that skill shortages could be interpreted as a valid reason for paying men more than women, if men have skills in short supply—thus reinforcing the segregation of women into low-paid jobs.

The draft orders were rejected by the Lords on December 5, and an amendment moved by *Lord McCarthy*, a labour peer, that they neither complied with the EEC directives nor reflected the European Court's decision was passed by 108 votes to 104. Lord Denning, among others, sharply criticised the draft orders for obscurity.

However, the orders were subsequently signed by Mr Clark, and have since been forwarded to the European Commission.

Mr Murray said that "the General Council has maintained throughout that the way in which the equal pay for equal work clause has been incorporated into the Act is unnecessarily complex and will create legal and practical difficulties . . . we shall be monitoring the position closely and we shall renew our representations if, as we expect, the amended legislation proves unsatisfactory."

The TUC said last night that "the Government has totally wasted *the opportunity* to achieve justice for women workers. The European Commission should tell the British Government to think again."

The Employment Department said last night: "Ministers have said on many occasions that the Government *believes* that the regulations are fully in accord with our European obligations to provide for women a means of obtaining equal pay for work of equal value."

Women's pay moves leave questions unanswered

BY JOHN LLOYD INDUSTRIAL EDITOR

WILL WOMEN now be able to claim that they are paid less than men solely on grounds of sex, with some hope of having the wrong redressed? The question remains open—though, from the beginning of the coming year, it should not be.

By introducing the amendments to the 1970 Equal Pay Act *which come into force* from tomorrow, the Government claims to have met the objections of the European Court that it lagged behind other Community member states in not allowing women to claim wage discrimination. The TUC, supported by much independent legal opinion in and out of the Lords, thinks it has not. Why?

To understand these reasons, it is necessary to recall that a woman seeking to prove pay discrimination must prove two things: first, that she is doing equal work to a man, for un*equal pay; second, that the* reason for the inequality is solely because of her sex.

Critics of the British legislation focus mainly on two issues.

First: they believe that the orders as framed give the employer too wide a defence. *In the Commons debate on the* draft regulations on July 20, Mr Alan Clark, the junior employment minister said that the Government intended to give employers the defence of "market forces," he made it clear that "what we have in mind are circumstances where the difference in pay is not due to personal factors between the man and the woman, but rather to skill shortages or other market forces."

The second issue is the role of the "expert" in the cases women may bring to industrial tribunals.

Under the present proposals, the expert who gives evidence on the nature of the woman's work, and on whether it is equal to a man's, will in effect determine the correctness or otherwise of the woman's claim: the tribunal can challenge only on grounds of procedure, or a mistake in the law.

In short, it is argued, the "judicial process" to which workers have a right under community *law has been undercut* by establishing the primacy of the expert's witness in tribunals.

These objections, coupled with the complexity of the regulations which moved Lord Denning to criticise them in the *Lords debate, must now wait to* be tested against the reality of the operation of the regulations in tribunals in the year ahead.

Health workers leaders in call for fightback

By Our Industrial Editor

THE LEADERS of the two largest unions yesterday warned the Government that 1984 would prove to be "the year of the National Health Service fightback."

Mr Rodney Bickerstaffe, general secretary of the National Union of Public Employees and Mr David Williams, general secretary of the Confederation of Health Service Employees, said in a joint New Year message: "Community campaigns backed by the trade unions and the Labour Party have been forced to protect patient care in the face of Government cutbacks.

"Over the coming months efforts will be stepped up to mobilise the active support of millions who rely on the National Health Service."

● In another New Year message, Mr Bryan Stanley, general secretary of the Post Office Engineering Union, warned that the measures the Government is proposing for selling off the nation's public phone system could mean "very substantial increases for residential customers as British Telecom is forced to compete with artificially created organisation such as Mercury."

APPOINTMENTS

Standard Chartered promotion

Mr **S. G. Smallwood**, whose duties cover group marketing strategy and regional responsibility for STANDARD CHARTERED BANK'S activities in North America, is promoted to general manager from January 1 and his regional responsibilities will be extended to include liaison with Standard Bank of South Africa.

★

Mr **Harry Purchase** has been appointed marketing director for the STEWART WRIGHTSON GROUP from January 1.

★

MERRILL LYNCH RELOCATION MANAGEMENT INTERNATIONAL has appointed **Mr Mark Tunstall** as managing director. He was previously based in Bermuda as vice president of Seaboard Overseas, a subsidiary of the U.S.-based Seaboard Corp.

★

The HEALTH AND SAFETY COMMISSION has appointed **Mr John Rimington** to be director general of the Health and Safety Executive for five years from January 1. He succeeds **Mr John Locke** who retires on December *31. Mr Rimington is currently* head of the Health and Safety Executive's safety policy and information services division.

Mr A. C. Johnson has been appointed a director of TYNDALL GROUP and **Mr C. E. T. Simkins** and **Mr N. J. Bradley** have been appointed directors of Tyndall Mangers.

★

Mr John Legate, executive director, INDUSTRIAL AND TRADE FAIRS has been appointed managing director of the company's international subsidiary (ITFI) and of a new company INDUSTRIAL AND TRADE FAIRS INTERNATIONAL AGENCIES which will operate as a sales agency in the UK and Europe for other organisers' exhibitions.

Economic Diary

WEDNESDAY: Overseas travel and tourism (October). Quarterly analysis of bank advances and acceptances (mid-December). Capital issues and redemptions (during the month of December). UK official reserves (December). International Boat Show opens at Earls Court (until January 15).

THURSDAY: *Industrial and* commercial companies appropriation account (third quarter). Personal income expenditure and saving (third quarter). Unemployment and unfilled vacancies (December - provisional).

FRIDAY: *Car and commercial* vehicle production (November-final). Harrods January sale begins.

New Year Honours for politics and industry

Timothy Bevan *Knight* — Richard J. Bailey *Knight* — Kenneth Baker *Privy Counsellor* — Peter Thompson *Knight* — David Alliance *CBE* — Jim Hodgson *CBE* — Geoffrey Finsberg *Knight* — Peter Walters *Knight* — Alistair McAlpine *Baron* — Fred Mulley *Baron*

PEOPLE IN politics, commerce, industry, finance, and the Civil Service, as well as in the arts and sciences, and in the academic world, are among those receiving awards in the New Year Honours List. The achievements of sports men and women are also recognised.

Four Life Peers (Barons) are created; three Privy Counsellors and two Companions of Honour are appointed; and 34 Knights Bachelor are named.

LIFE PEERS

BARONS

Mr Arthur Bottomley, MP from 1945 to 1959, and from 1962 to 1983. Minister of Overseas Development 1966-67.
Sir Peter Henderson, lately Clerk of the Parliaments.
Mr Alistair McAlpine, joint honorary treasurer of the Conservative and Unionist Party.
Mr Fred Mulley, MP (Park Division Sheffield 1950-1983). Secretary of State for Defence 1976-79.

PRIVY COUNSELLORS

Mr Kenneth Baker, Minister of State, Department of Trade and Industry.
Mr Kenneth Clarke, Minister of State, Department of Health and Social Security.
The Earl of Gowrie, Minister for the Arts.

ORDER OF THE COMPANIONS OF HONOUR

MEMBERS

Sir Steven Runciman, for services to Byzantine art and history.
Sir Sacheverell Sitwell, author.

KNIGHTS

Mr John Badenoch, consultant physician, Oxfordshire District Health Authority.
Mr Richard John Bailey, chairman, Royal Doulton Tableware (Holdings).
Mr Maurice Edward Bathurst, for *services to international and comparative* law.
Mr Timothy Hugh Bevan, chairman, Barclays Bank.
Mr Paul Anthony Bramley, professor of dental surgery Sheffield University.
Mr Alastair Burnet, for services to journalism and broadcasting.
Mr Lawrence Byford, Chief Inspector of Constabulary.
Mr John Robert Cater, lately chairman, The Distillers Company.
Mr Oswald Davies, chairman, Amec.
Mr Reginald Edwin Eyre, for political and public service, MP, Birmingham Hall Green.
Mr Geoffrey Finsberg, for political and public service, MP, Hampstead and Highgate.
Mr Richard Brinsley Ford, for services to the arts.
Mr Anthony Stuart Garner, for political service.
Mr Arthur Abraham Gold, for services to sport.
Mr Patrick Hamill, Chief Constable, *Strathclyde Police.*
Mr Wynn Normington Hugh-Jones, for political and public service.
Mr Peter Stewart Lane, for political service in the south of England.
Mr Christopher Donald Lawson, for political service.
Mr Spencer Le Marchant, for political and public service.
Mr Edwin Ronald Nixon, chairman and chief executive, IBM United Kingdom (Holdings).
Mr Dimitri Obolensky, professor of Russian and Balkan History, Oxford University.
Mr L. N. Ross, chairman, Bank of New Zealand.
Mr Kenneth Johnston Sharp, lately head of Government accountancy service, Department of Trade and Industry.
Mr Philip Shelbourne, chairman, Britoil.
Mr William James Simpson, lately chairman, Health and Safety Commission.
Mr Thomas Richard Edmund Southwood, Linacre professor of zoology, Oxford University.
Mr John Sparrow, lately director-general, Central Policy Review Staff.
Mr Michael Ian Bowstead Straker, for public service in the north east.
Mr John Henry Alan Swinson, for public services in Northern Ireland.
Mr Peter Anthony Thompson, chairman and chief executive, National Freight Consortium.
Mr John Robert Vane, for services to pharmaceutical research.
Dr Gerard Vaughan, for political and public service MP, Reading East.
Mr Alan John Ralph Veale, managing director, GEC Power Engineering, for services to export.
Mr Peter Ingram Walters, chairman, The British Petroleum Company.
Mr David Mackenzie Wilson, director, British Museum.

ORDER OF THE BATH

GCB

Sir Brian Crossland Cubbon, Permanent Under-Secretary of State, Home Office.

KCB

Mr Gordon Stanley Downey, Comptroller and Auditor General.
Mr Peter Edward Middleton, Perma*nent Secretary, Treasury.*

CB

Mr Frank G. Allen, Clerk of the Journals, House of Commons.
Mr John F. H. Barker, principal director, Ministry of Defence.
Mr Rex A. Browning, deputy secretary, Overseas Development Administration.
Mr William Dermott, head of agricultural science service, Ministry of Agriculture, Fisheries and Food.
Mr Jack Gill, secretary, Export Credits Guarantee Department.
Mr John S. Goldsmith, director general, defence accounts, Ministry of Defence.
Mr Terence M. Heiser, deputy secretary, Department of the Environment.
Mr Edmund R. Heward, Chief Master of the Supreme Court (Chancery Division).
Mr Geoffrey G. Hulme, deputy secretary, Department of Health and Social Security.
Mr Ivor H. Lightman, deputy secretary, Welsh Office.
Mr John H. Locke, director, Health and Safety Executive.
Mr William D. C. Lyddon, chief planning officer, Scottish Development Department.
Mr Ivor T. Manley, deputy secretary, Department of Energy.
Mr David B. Rogers, deputy secretary, Board of Inland Revenue.
Mr Peter W. Rumble, under secretary, Department of the Environment.
Mr Richard M. Hastie-Smith, deputy secretary, Ministry of Defence.
Mr Stanley A. T. Warren, deputy secretary, Ministry of Defence.
Mr Robert J. Weir, chief medical officer, Department of Health and Social Services, Northern Ireland.

ORDER OF ST MICHAEL AND ST GEORGE

GCMG

Mr Robert Muldoon, Prime Minister of New Zealand.

CMG

Mr David A. Nicholls, assistant secretary, Ministry of Defence.

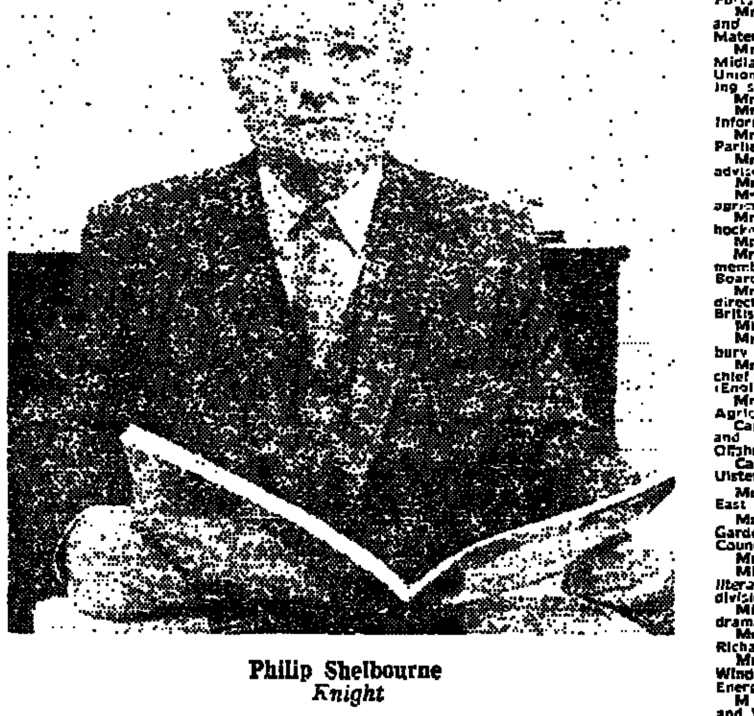
ORDER OF THE BRITISH EMPIRE

DBE

Lady Tilney, for political and public service.
Mrs Helen Warnock, for public service.

CBE

Mr D. Allford, architect, YRM Partnership.
Mr D. Alliance, chief executive, Vantona Viyella.
Mr P. E. G. Balfour, chairman, Scottish Council (Development and Industry).
Mr P. M. Barclay, chairman, National Institute for Social Work.
Mr W. C. Beattie, chairman, Clothing and Allied Products Industry Training Board.
Mr T. N. Biggart, lately president, Law Society of Scotland.
Mr A. H. Boggon, deputy chief agricultural officer, Department of Agriculture and Fisheries for Scotland.
Professor Ian Butterworth, for services to physics at the Imperial College of Science and Technology.
Mr A. M. G. Christopher, chairman, National Association for the Care and Resettlement of Offenders. General secretary, Inland Revenue Staff Federation, and TUC general council member.
Professor Keith M. Clayton, for services *to the University Grants Committee and to* the University of East Anglia.
Mr C. E. Coffin, director-general, Food Manufacturers' Federation.
Mr J. W. Cook, official solicitor, Church Commissioners for England.
Lieut.-Col. Uvedale Corbett, president, British Poultry Federation.
Mr P. Darrell, artistic director, The Scottish Ballet.
Mr B. F. Edbrooke, director A, Department of Transport.
Mr H. R. Featherstone, director-general, Freight Transport Association.
Mr Anthony Field, finance director, Arts Council of Great Britain.
Mr Frank Finlay, actor.
Mr Hugh Fish, for services to the Natural Environment Research Council and to water supplies.
Mr T. V. N. Fortescue, lately secretary general, Food and Drink Industries Council.
Mr J. M. G. Galbraith, for services to forestry in Scotland.
Mr J. Gaston, chairman and chief executive, Northern Ireland Electricity Service.
Mr J. Gilchrist, chief valuer, Scotland, *Board of Inland Revenue.*
Mr K. H. Grange, partner, Pentagram design.
Mr H. F. C. Hobday, for services to the veterinary profession and to animal welfare.
Mr J. Hodgson, formerly managing director, British Telecommunications International.
Mr A. R. Houseman, chairman, Economic Development Committee for the Gauge and Tool Industry.
Mr R. F. Jackson, deputy managing director and director, engineering, northern division, United Kingdom Atomic Energy Authority.
Mr N. W. Jones, lately group chief executive, Lloyds Bank.
Mr J. D. Kay, chief architect, Department of Education and Science.
Mr J. C. Lavin, director, Royal Ordnance Factory, Chorley.
Mr J. M. Little, deputy chairman and chief executive, Anderson Strathclyde.
Mr S. W. Lockhart, procurator fiscal, Ayr.
Mr D. R. Lomer, lately board member, Central Electricity Generating Board.
Mr D. H. Lowndes, director, The Newspaper Society.



Philip Shelbourne
Knight

Mr B. G. Mabey, chairman, Mabey and Johnson, *for services to export.*
Mr O. S. Masefield, lately chairman, Motor Insurers' Bureau, Council of Bureaux, and Motor Conference.
Mr H. W. Morris, chairman, Welsh Industrial Development Advisory Board.
Mr Harry Mortimer, for services to Brass band music.
Miss J. E. Muir, designer and director, Jean Muir Ltd.
Mr R. H. Newham, director of engineering, Thorn EMI Electronics.
Mr R. Ogden, chairman, Ogden Group.
Mr J. F. Physick, deputy director, Victoria and Albert Museum.
Mr A. M. Pilch, for services to the *provision of care in retirement.*
Mr H. Rose, group technical director, Fosc.o Minsep.
Mr F. T. Salt, supply director, Rolls-Royce.
Mr L. A. Sanson, marketing director, British Aerospace, for services to export.
Mr A. T. B. Shand, chairman, Alexander Shand Holdings.
Mr J. V. Sheffield, lately chairman, Business Education Council.
Mr A. A. Shepherd, managing director, Ferranti Electronics.
Mr A. E. Singer, managing director, BBC Television.
Mr A. K. Smith, managing director, production division, Babcock Power.
Mr C. R. Smith, lately president, British Textile Confederation, for services to export.
Mr Robert Tear, singer.
Mr R. W. Tookey, managing director, Shell International Marine.
Mr J. B. Wain, writer and poet.
Mr J. H. W. Wilder, chairman-director, John Wilder.
Mr P. Williams, deputy chairman and joint managing director, Wedgwood, for services to export.

OBE

Mr W. Annandale, divisional manager, personnel services, Warton division, British Aerospace.
Mr E. E. Annis, production director, Needham Chairs.
Mr R. R. Beal, for services to amateur rugby league football.
Mr C. D. Begley, conservator of forests for south east England, Forestry Commission.
Mr D. R. L. Breed, senior principal, Paymaster General's Office.
Mr A. C. Brown, chairman and managing director, Spirax-Sarco Engineering.
Mr Henry Burlinson, director, Thomas Kerfoot and Co.
Mr M. R. Campbell, president Association of Recognised English Language Schools.
Mr G. D. G. Cheatley, chief executive, Northern Ireland Transport Holding Co.
Mr F. J. J. Clarke, principal scientific officer, National Physical Laboratory.
Mr C. L. Coles, lately director, The Game Conservancy, Fordingbridge.
Mrs M. G. Cook, lately personnel director, EIP Chemicals.
Mr K. Cooper, chief executive, Medway Ports Authority.
Mr J. T. Sinclair Corbett, chairman and chief executive, Butterley Building Material.
Mr K. G. Cure, member (for the West Midlands), executive council, Amalgamated Union of Engineering Workers (engineering section).
Mr F. B. Davey, farmer, Newquay.
Mr C. A. Davies, chief executive, Information Technology.
Mr J. C. Dosborough, for services to Parliamentary journalism.
Mr J. Retter Elliott, company transport adviser, Metal Box.
Mr Richard E. Eurich, artist.
Mr D. L. Carey-Evans, for services to agriculture.
Mr Robin A. Fletcher, for services to hockey.
Mr Dick Francis, author.
Mr W. G. P. Fraser, non-executive board member, South of Scotland Electricity Board.
Mr A. O. H. Gale, deputy managing director, Bristol division, dynamics group, British Aerospace, for services to export.
Miss Marie H. Goossens, harpist.
Mr A. J. B. Halliday, farmer, Countisbury, Devon.
Mr N. A. J. Harry, executive director/chief designer, Marshalls of Cambridge (Engineering).
Mr F. R. Hayward, consultant, RHM Agriculture.
Capt. R. Hodgor, group safety officer and marine superintendent, Houlder Offshore.
Capt. O. W. J. Henderson, chairman, Ulster Sheltered Employment.
Mr K. R. Henshaw, chairman, Middle East Navigation Aids Service.
Mr G. R. Holland, leader of Covent Garden Planning Team, Greater London Council.
Mr P. J. Hurford, organist.
Miss A. R. Haygarth Jackson, manager, *literature services section, pharmaceuticals* division, Imperial Chemical Industries.
Miss P. Ann Jellicoe, for services to drama.
Mr S. F. Langlands, managing director, Richard Dunston Industries.
Mr H. Lawton, head of laboratories, Windscale, United Kingdom Atomic Energy Authority.
M P. Layfield, general manager, Tyne and Wear Metro.
Professor J. C. Levy, director, professional institutions, The Engineering Council.
Mr Fulton McKay, actor.
Mr Bertie Mee, for services to Association Football.
Mr A. C. Meikle, lately Deputy Chief Inspector of Prisons, Scottish Home and Health Department.
Mr R. Metcalfe, chairman and managing director, Davies and Metcalfe; for services to export.
Mr I. Miller, chairman, Red Deer Commission.
Mr M. J. Neale, director, Michael Neale and Associates.
Mr K. M. Odell, executive director, Balfour Beatty Engineering; for services to export.
Mr R. E. D. Onions, lately editorial director, London Broadcasting Co.
Mr A. C. Baird-Parker, manager, microbiology and preservation department, research division, Unilever.
Mr Graham Reynolds, for services to art.
Mr J. G. L. Rhodes, development director, TMC.
Mr P. Rowley, managing director, Michelin (Rubber Purchasing).
Mr H. C. Sanderson, director, freight, British Rail.
Mr W. Short, chairman, National Industrial Fuel Efficiency Service.
Mr W. Smith, chief driving examiner, Department of Transport.
Mr D. Soice, managing director, Pandair Freight.
Mr G. R. G. Stewart, secretary, Institute of Chartered Accountants of Scotland.
Mr A. G. Thompson, vice chairman, J. Bibby and Sons.
Mr R. Tilbury, chairman, Trustee Savings Bank (South East).
Mr W. Anthony Toner, joint managing director, Farrans (Construction).
Mr R. H. Underhill, director-general, The Advertising Assoc.
Mr Baruch H. Wood, for services to chess.
Mr A. R. D. Wright, lately appointments secretary to the Archbishops of Canterbury and York.
Mr R. J. Wylie, chief executive, Tullis Russell and Co.

MBE

Mr. F. C. S. Adcock, station secretary, Institute of Hydrology, Natural Environment Research Council.
Mr. P. F. Annis, operations manager, *product support, Ansty, Rolls-Royce.*
Mr P. Ayles, director, operations, Saudi Arabia, British Hovercraft Corp.
Mr J. K. Badcock, general manager and secretary, London Port Employers' Assoc.
Mr M. A. Ball, manager, research and development, Sifam.
Mr C. E. Barkway, senior executive officer, Board of Customs and Excise.
Mr P. G. Barnwell, chairman and managing director, CorinTech.
Mr J. Bautista, higher executive officer, Dockyard, Gibraltar, Ministry of Defence.
Mr W. J. Baxter, ship repair, general *manager, Belfast, Harland and Wolff.*
Mr D. G. Bewick, production director, Dorman Smith Fuses.
Mr J. R. Blackton, chairman, Walbrook Housing Assoc.
Mr R. W. G. Blair, senior technical liaison engineer, product support division, Smiths Industries Aerospace and Defence Systems Company.
Mr J. W. J. Bollom, managing director, J. W. Bollom and Co.
Mr D. C. Brice, assistant secretary, technical regulations department, Institution of Electrical Engineers.
Mrs J. E. Broughton, deputy director, *British Knitting Export Council and* director, British Menswear Guild, for services to export.
Mr J. M. Carrington, group engineer (construction), West Midlands Regional Office, Warwickshire County Council.
Mr O. C. Carter, contracts manager, Wilton, Imperial Chemical Industries.
Mr T. A. Claffey, general manager, international sales, Bridgeport machine division, Textron; for services to export.
Mr R. Coats, lately consultant, John Brown Engineering.
Mr A. E. Cook, senior executive officer, Department for National Savings.
Mr S. C. Cowan, general secretary, Ulster Savings Committee.
Mr D. E. L. Cozens, works director, Ealing Beck.
Mrs M. M. Craig, vice president, Road Safety Council of Northern Ireland; member, RoSPA national road safety committee.
Mr Fred Daly, for services to golf.
Mr Lawrence Demmy, for services to ice dancing.
Mr D. J. Dunnell, joint managing director, D and P Builders.
Mr M. K. M. F. Egleston, lately secretary, *Heritage Education Group.*
Mr G. Elliott, managing director, R B Bolton (Mining Engineers).
Mr W. J. Fisher, general manager, electronics division, Newport, Standard Telephones and Cables.
Mr M. S. Fletcher, principal associate, Sir William Halcrow and Partners.
Mr P. C. Flynn, regional plant manager, Tarmac Construction Plant.
Mr M. E. Ford, chief petroleum engineer, British Gas Corp.
Mr G. S. Francey, chief forester, Forestry Commission.
Mr R. P. Gadd, secretary, Aerodrome Owners Assoc.
Mrs M. T. Gallagher, member, Police Authority for Northern Ireland.
Mr P. Gibson, for services to the conservation of stained glass.
Mr P. R. Gill, engineering manager, Calder Works, Sellafield, British Nuclear Fuels.
Mr Chriss Gittins, actor and broadcaster.
Mrs M. E. Gleed, secretary, The Royal Society of Musicians of Great Britain.
Mr G. C. Graham, managing director, Islay Farmers.
Capt. L. H. Grey, lately master, Esso Petroleum Company.
Mr G. N. Gwilym, lately general manager, Ellemex division, Mars; for services to export.
Miss M. P. Hall, chairman, Duke of Edinburgh Award Committee.
Mr A. E. O. G. Hawkins, senior buyer, military engine group, Bristol Engine Group, Rolls-Royce.
Mrs Cynthia M. Haydon, for services to equestrianism.
Mr L. J. Raven-Hill, for services to the Institute of Legal Executives.
Mr D. D. G. Hodge, director, D. G. Hodge and Son.
Mr Maurice Hope, for services to boxing.
Mr P. A. Hoskins, secretary-general, Luton and District Chamber of Commerce and Industry.
Mr R. P. Johnson, chairman and member, British Standards Institute Committees.
Mr R. Kaye, lately assistant chief engineer, West Riding Automobile Co.
Mr John M. Lindsay, export sales manager, R and W Scott, Carluke.
Mr J. Macrae, lately member, Western Isles Islands Council.
Mr R. Matthews, manager, chronometer *shop, Thomas Mercer Chronometers.*
Mr R. W. Midworth, principal inspector of factories, Department of Employment.
Mr Mick Mills, for services to Association Football.
Mr D. J. Moore, lately production services manager, north western region, Central Electricity Generating Board.
Mr P. J. Moore, assistant private secretary to the Government Chief Whip.
Mr J. E. Moulding, chief engineer, Turbo-Generator Group, Brush Electrical Machines.
Miss Patricia Mulholland, for services to the Irish Ballet Company.
Mr P. J. Price, divisional manager, electronic equipment and sub units division, Unitech.
Mr B. O. L. Prior, registrar and legal secretary to the Bishop of Norwich.
Mr W. A. Pussley, managing director, SPT Machines; for services to export.
Miss Netta Rheinberg, for services to women's cricket.
Mr K. J. Richards, chairman, South Devon Shellfishermen.
Mr J. M. F. Ritchie, secretary, Scottish branch, The Royal Institution of Chartered Surveyors.
Mr B. F. A. Roper, manager, support group, simulation division, Marconi Instruments.
Mrs Joyce E. Smith, for services to athletics.
Mr R. M. Tanner, senior project engineer, Flight Refuelling.
Mr N. A. Tope, director, Montgomery Plating Company.
Mr H. H. Tydd, executive director, Roy Bowles Transport.
Mr C. T. F. Wainwright, manager, quality engineering and systems, Stevenage division, dynamics group, British Aerospace; for services to export.
Mr J. Walker, senior health and safety officer, George Wimpey.
Lieut.-Comm. J. V. Watson, secretary/treasurer, The Association of Royal Navy Officers.
Mr Robin Watson Welsh, for services to curling.
Mr F. A. Wheeler, for services to local government; member, Moyle District Council.
Mr J. A. Winter, architect, John Winter and Associates.
Miss E. Woodburn, secretary, Save the Children Fund, Ballymena, Co Antrim.
Mr G. A. Wychard, commercial *manager, R. A. Lister and Co.*

مطابق للأصل

Rewriting the City's book of records

It has been a year to rewrite the City's book of records—share prices hit all-time highs, companies raised more money than ever before from rights issues and the name against the largest take-over bid in British history has changed twice.

Over the past twelve months equity prices have moved into high ground by a series of leaps and bounds. The FT 30 Share Index strode through the 700 level for the first time way back in May ahead of the General Election. By yesterday's close the FT Index was up by 30 per cent over the year while the broader-based FT-A All-Share was ahead by 23 per cent—both within a whisker of their all time peaks.

Behind the rapid climb in share prices the corporate sector has been glowing with health after agonising years of recession. Company profits over calendar '83 are ahead by something between 20 and 25 per cent, liquidity is expanding faster than at any time over the past decade, unit labour costs in the manufacturing sector have barely budged and productivity is increasing. Shareholders are being rewarded by dividend growth of around 10 per cent—representing a growing real return now that Britain has joined the ranks of relatively low inflation rate economies.

Recovery stocks

The scene in 1983 has been dominated by "recovery" stocks rather than "growth" sectors, such as drugs and electricals, which were very much 1982's favourites. By the end of the year attention was focused on packaging, chemicals and even textiles—shares which were out in the cold a year ago. Consumer orientated stocks fared well early in the year when the consumer boom was taking off but by the autumn they too had taken a back seat.

Another feature of the equity picture was the return to fashion of industrial conglomerates such as Hanson and BTR (though perhaps the latter was never really out of fashion). From being unloved outcasts they are now everybody's favourites, their traditional rationalisation role no longer regarded as being unacceptable to public and politicians alike.

LONDON

ONLOOKER

The climb of equities has been even more impressive given the amount of fresh paper the market has had forced down its throat. Finance directors have turned to their shareholders with rights issues to raise £2bn, topping the 1981 peak by a good tenth.

And the Government has not been slow in feeding stock into a rising market, though not always smoothly as the underwriters have found out. All in all the Treasury has picked up cheques for £700m—mainly from selling more shares in BP, Cable and Wireless and Britoil. That is more than twice the level of 1982. Other new issues and placings on the main market have raised a further £500m while the flourishing unlisted securities market generated £150m.

American buying

While domestic investors were caught up in the new found virtues of equity investment, further support came from an unexpected source. Americans seem to have discovered that London holds more than ancient monuments. Stockbrokers Phillips and Drew estimate that U.S. buyers have spent between £¾bn and £1bn in London's stock market compared to British institutional purchases of £4bn.

Two stocks in particular have found favour with U.S. investors, ICI and Glaxo. Morgan Guaranty, through its nominee account, holds around 15 per cent of ICI and close to 17 per cent of Glaxo. The stock is in Morgan's name but of course the holding represents large numbers of U.S. investors trading in ADRs (American depositary receipts) who incidentally avoid British stamp duty on their deals.

In the market ICI's share price has been chased up from 350p to 660p before it came off a few pennies recently. That climb has been instrumental in pushing the chemicals sector, as measured by the FT Actuaries sector index, up amongst the best performers of the year. However, first past the post is newspapers and publishing—the magical word has been Reuters. The impending flotation of Reuters on the stock market is expected to put a price tag of up to £1½bn on the news agency. That valuation could transform many newspaper balance sheets as well as giving a handy cash injection from the shares sold.

Wooden Spoon

The contracting and construction sector gets the wooden spoon, down by 7 per cent over the 12 months and 18 per cent off its March peak. Each major constituent of the grouping has its own specific problems but generally the stock market has woken up to the fact that the Middle East bonanza of the seventies for the big international construction groups has simply evaporated. Even without the slump in the oil price the industrial revolution that the Middle East packed into a decade simply had to come to a halt.

Whereas the gilt market led the way for equities in 1982, this year gilts have been relatively subdued. Perhaps the market had the potential to go ahead at the beginning of the year, looking purely at domestic factors, but U.S. interest rates and the dollar occupied investors' thoughts. It was consideration of what might happen the other side of the Atlantic which kept yields on the high side.

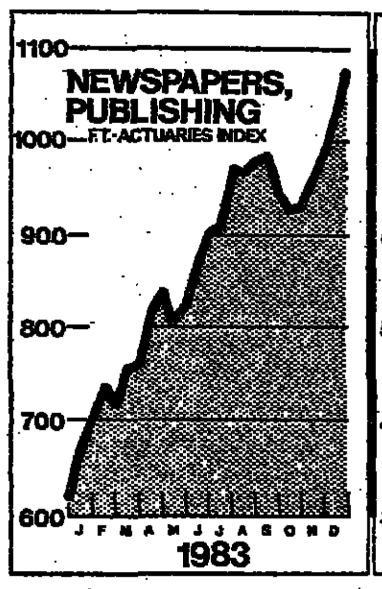
And of course the UK background deteriorated during the year as it became obvious that the Government was destined to indulge in some heavy fund[ing]. After a freakishly light quarter for new gilt issues pace accelerated and by July-September period net [sales] of gilts were a record £4.

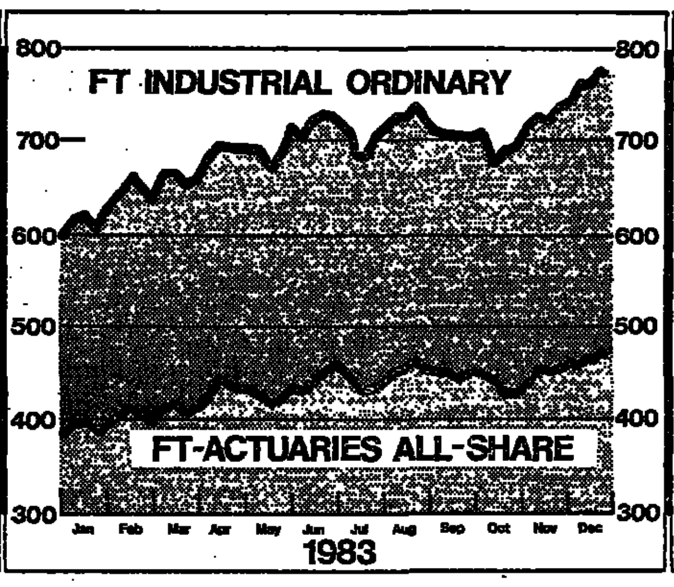
INDEX PERFORMANCE OVER 1983

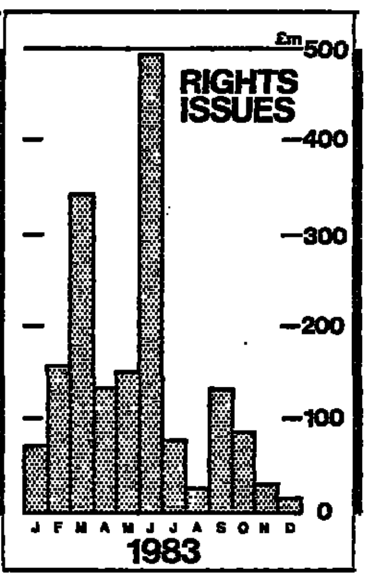
The following table lists the changes in the 30-share index and its constituents over the yer to date. FT Gold Miines index is lso shown

	Price y'day	% change since 31.12.82	1983 High	1983 Low
F.T. Ind. Ord. Index	775.7	+30.0	776.2	598.4
Assoc. Dairies	150	+33.3	156	105
Allied-Lyons	138	+ 1.8	153	129
BICC	245	− 9.3	290	210
BOC	296	+72.1	296	170
BTR	424	+68.2	433	252
Beecham	305	− 8.7	411	300
Blue Circle	420	− 2.3	483	383
Boots	180	+43.4	188	110
Bowter	265	+72.1	270	153
BP	405	+36.8	452	296
Cadbury Schwpps	117		131	96
Courtulds	123	+74.5	130	69
Distillers	244	− 1.6	264	207
GEC	180	−13.9	250	172
Glaxo	705	+12.8	990	625

	Price y'day	% change since 31.12.82	1983 High	1983 Low
Grand Met.	330	− 1.2	366	[illegible]
GKN	177	+59.5	187	[illegible]
Hawker Siddeley	354	+ 5.3	406	[illegible]
ICI	636	+76.7	660	[illegible]
Imperial Group	142	+23.5	142	[illegible]
London Brick	137	+115.7	137	[illegible]
Lucas	176	+37.5	176	[illegible]
Marks & Spencer	215	− 2.7	225	[illegible]
P. & O. Defd.	249	+130.5	257	[illegible]
Plessey	228	+12.3	255	[illegible]
TI	168	+20.0	180	[illegible]
Tate & Lyle	380	+81.8	410	[illegible]
Thorn EMI	653	+50.8	653	[illegible]
Trusthouse Forte	187	+16.1	195	[illegible]
Vickers	137	+59.3	137	[illegible]
Gold Mines Index	575.7	+ 3.4	734.7	[illegible]







LARGEST BIDS OF 1983

BAT—Eagle Star £968m

BTR—Tilling £660m

RIT—Charterhouse £400m*

Hanson—UDS £260m

Rowntree—Toms Foods £146m

Charter Cons—Anderson £95m

Taubman—Sotheby £87m

STC—Intnl. Aeradio £60m

Dee—Key Markets £45m

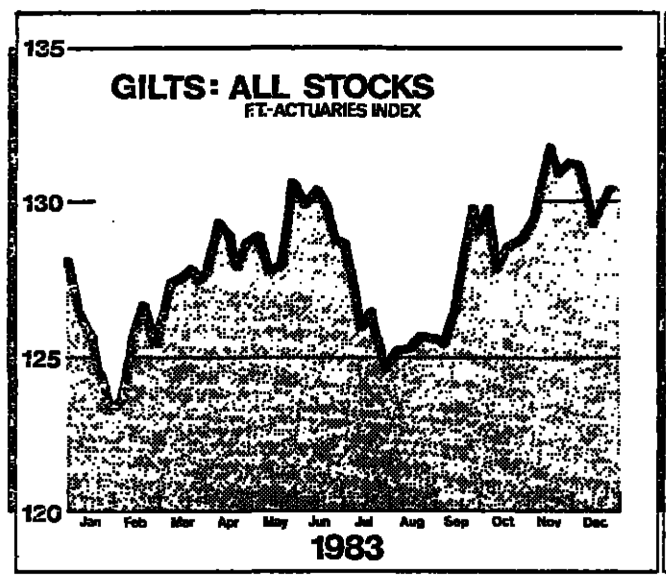
Stan. and Chartered—MAIBL £43m

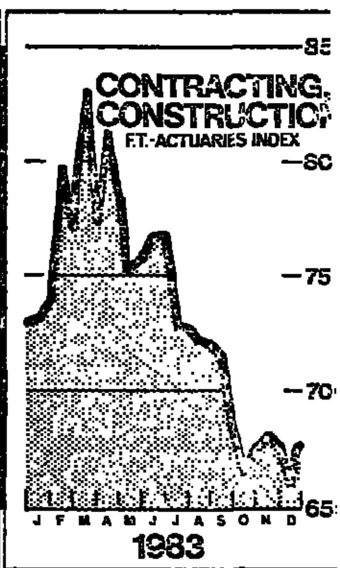
Fight—Huntleigh £32m

Dee—Wellworth and Broad. £22m

Britannia—Nat. Employers £20m

* Merger





Hopes for 1984

NEW YORK

WILLIAM HALL

WALL STREET ended the second year of its current rally some way off its all time high of late November but most investors headed home for the New Year festivities relatively confident that 1984 will bring further, albeit smaller, gains in share prices.

By Thursday evening the Dow Jones Industrial Average was up by more than a fifth or more than 200 points from its end 1982 level. While the rate of gain cannot match last year when the Dow rose by more than a third, or 270 points, from its 1982 low in early August, U.S. share prices have ended each quarter of the current year higher than when they started and the current quarter is no exception.

Earlier in the month fears that interest rates might be forced to rise to choke off the unexpectedly rapid U.S. economic recovery hung over the U.S. stock market. But during the past couple of weeks sentiment has improved. This week the U.S. Department of Commerce announced that its index of leading economic indicators fell by 0.4 per cent, the first drop since August of last year.

Investors are still unsure about interest rates but the latest economic indicators point to a slowdown in the recovery and make it more likely that the next major move in interest rates will be down rather than up.

As it is, U.S. interest rates are notably higher than they were a year ago. Three month Treasury Bills are yielding a full percentage point more at close to 9 per cent and the yield on lo ng term U.S. Government Bonds is more than 1¼ percentage points higher at just under 12 per cent.

The big surprise of 1983 for investors has been the strength of the U.S. economic recovery given the very high real interest rates. This has fed through to corporate profits, and sharply rising earnings have underpinned the strong performance of share prices in 1983.

Standard and Poor's 500 Composite Stock Price Index has risen by 17.6 per cent this year and the credit agency says that only 12 of the 89 industry groups it monitors failed to show a rise in 1983.

S. and P. notes that the stocks contained in its paper container industry grouping posted the strongest performance with a 76 per cent rise, followed by the semi conductors/components group which advanced 56.3 per cent. The next three best performers were leisure (plus 55.1 per cent), trucks and truck parts (plus 52.2 per cent) and fertilisers (plus 44.0 per cent).

On the other side of the ledger, the toy group turned in the biggest loss falling 21.1 per cent followed by hospital management (minus 13.0 per cent), gold mining (minus 8.1 per cent), hospital supplies (minus 6.1 per cent) and copper (minus 5.8 per cent).

David Blitzer, S. and P's chief economist, says that the list of the best and worst market performers in 1983 has "economic recovery written all over it. Many of the best performers are in heavily cyclical industries, while the losers are concentrated in industries considered safe recession plays."

U.S. Steel, which this week announced that it was taking a $1.2bn pre-tax charge and closing nearly a fifth of its steel making capacity, is one of the best examples. Its shares, which had traded under $20 earlier this year, have risen by some 50 per cent and are now close to the year's high of $30½. Bethlehem Steel, number two in the industry, has seen its shares close to their 12 month high of $28¼ which is double their 1982 low point.

International Harvester, the giant farm equipment and truck manufacturer which has been losing money heavily for several years, is another recovery stock where investors have made a handsome profit over the past year. It started 1983 at $4½, more than 50 per cent up from its 1982 lowpoint, and the shares have been as high as $14¾ this year. This week they were hovering around $12.

By contrast investors in some of Wall Street's former favourites have not done so well. Eastman Kodak, the world's biggest photographics products group, which has been hit by Japanese competition and the strength of the dollar, has seen its earnings plummet this year. Its shares are currently standing some $10 below what they were when the year started. Next week the company will announce a major new venture in the fast growing small video camera market with the help of the Japanese, and the hope is that the company is over the worst. Its shares are already a fifth up from the year's low.

The financial services industry which has produced more than its fair share of high fliers over the past couple of years has also seen a shakeout. American Express reported earlier this month that it was going to report its first earnings decline for 35 years because of problems at its Fireman's Fund insurance operation. The shares which had been as high as $50 earlier this year touched $28.875 this month but over the past fortnight they have recovered by over $4 in heavy trading. The word is that someone has been aggressively buying a strategic stake.

Citicorp is another glamour stock in the financial services industry which has had its problems in 1983 and this has rebounded on its share price. The financial difficulties of several countries where Citibank is a major lender have not yet had any real impact on Citicorp's earnings but investors have become worried that sooner or later Mr Wriston and his men are going to have to take the red pencil to some of those loans to Brazil, Mexico and Argentina. Citicorp's shares are more than a fifth down from their year's high but are some way off their year's low reached in the autumn.

Finally, the oil sector has given investors a run for their money as one after another, former sleepy oil companies have come under attack.

MONDAY	CLOSED	
TUESDAY	1263.72	+13.21
WEDNESDAY	1263.21	− 0.51
THURSDAY	1260.16	− 3.05

The view from the top

MINING

KENNETH MARSTON

ɱORROW IT will be another ∨ Year, this time one con- ıing 366 daily pages with inevitable mixture of happy prises and sad disappoint- nts for the investor in ıing shares. Will the 1984 ɹp year make up for the ulfilled promise of 1983 ɉch was ushered in by hopes a world economic recovery? Once again, let us seek the ws of the leading spokesmen the mining industry.

ptimistic

Starting with Mr Pierre ɹusseland, chairman of ɲerica's natural resources ɉjor, Amax, we find him con- 'erably more optimistic than was a year ago. He writes: Following the recent world ɓnomic recession, most ɓnomists are looking forward 1984. They see a strengthen- ɀ of the general economic re- very that began at the end of 82.

"The mining industry, long ɂttered by the recession, is ɹly now entering its own re- very phase. In this respect, it ffers from other industries in e U.S. that were able to re- und earlier and are now show- g increasing profitability.

"The consensus among ɹonomists is that overall pital spending will continue creasing at a healthy pace in 84. That is good news for e metals mining industry.

"Over the next three years, ost industries are expected to crease real capital spending well over 10 per cent per ear. Higher operating rates, rporate profits and cash flow l contribute to the improved ɹtlook.

"Spending for machine tools another bellwether for nprovement in the fortunes the metals mining industry. That has risen to its highest point since January 1982, another indicator that durable goods manufacturers are regaining confidence.

"*In addition, durable goods* purchases should continue to improve. Automobile sales in the United States, including imports, are projected to climb over the 10m mark in 1984. Housing starts should continue at a good level of about 1.8m units.

"These anticipated upsurges in economic activity will *increase demand for metals and* lead to replenishment of inventories. This, in turn, should produce positive results for the mining industry, whose fortunes traditionally lag general business recovery.

"In fact, we have already seen some price recovery for various metals from the lows of 1982 and early 1983, but present *prices are still far below what is* needed to sustain a healthy industry. We are encouraged, however, by predictions for 1984 which show a significant rebound in metal mining *activity, followed by another* strong increase in 1985."

Hopeful

Now to Mr Neil Clarke, deputy chairman and chief executive of London's *Charter Consolidated* who is also hopeful, but cautious. He says:

"Although the prospects for durable economic expansion are still mixed, a much stronger than expected U.S. recovery and indications of an up-turn in other major economies seem to be signalling the end of the longest and deepest post-war recession, a period which has been particularly hard on the world's mining industry.

"The recovery has already resulted in increased demand for some minerals with consumer-oriented metals responding at this early stage in the up-turn more than those dependent on capital investment. The effect on metal prices has been patchy and the outlook over the coming year is in most cases for steady rather than spectacular improvement.

"For the longer term a healthy mining industry requires a thriving Third World since the developing countries and especially the newly industrialised countries are at a minerals- and metals-intensive stage of development.

"In these tough times, mining companies have had to scrutinise their unit costs and in many cases have succeeded in reducing them substantially. Similarly, any future mining investment should be characterised by a low production cost and it is to be hoped that international lending agencies and national export credit agencies will be more discriminating in this respect.

"The fact is that many of the projects given the go-ahead over the past ten years have reflected an earlier, more buoyant era. A more realistic appraisal of future growth prospects will accelerate the restoration of a closer balance between supply capability and demand."

Some cool realism comes from Mr Rudolph Agnew, chairman of the UK-based **Consolidated Gold Fields** group. His theme is that good profits are there for the industry to earn: they won't fall into its lap. He writes:

Realistic

"It would be interesting to know what the "Club of Rome" is forecasting these days. As far as I am concerned 1983 has seen general acceptance of the view that, with few exceptions, there is little prospect of experiencing prolonged shortages of basic commodities during the remaining years of this decade.

"Life in 1984 and for some time to come is not going to be easy for company management. The economic climate will no longer tolerate investment errors or careless management —surplus capacity will not be *absorbed by rapid growth in* demand and a poor return on excessively expensive projects will not be concealed by the effects of inflation.

"However, the market for raw materials remains enormous and low cost producers can expect to make good returns. We still anticipate overall growth in the mining industry; overweight industries will almost certainly have to slim, but new facilities will be required and there is always profit for those who are nimble.

"Short term forecasts of the gold price are notoriously unreliable and I expect to see this proved again in 1984. On the other hand, in spite of declining inflation, high interest rates, a strong U.S. dollar and a nervous market harried by rumour, there is sufficient interest in gold to hold the price at levels which give most producers excellent returns, particularly in the case of low cost South African mines.

"For the long term investor in gold shares, last year's performance should encourage confidence for the future."

Mr Ted Pavitt, chairman of South Africa's *General Mining Union Corporation* (Gencor) mining finance group, also gives his views on gold.

Encouraged

"Although the gold price did not live up to my best expectations during 1983, my colleagues who are responsible for predominantly base metal groups have been going through so much tougher a time that it hardly seems reasonable to complain.

"Gold, indeed, is virtually the only branch of the mining industry not to have been compelled to cut back production let alone curtail expansion plans, in order to achieve price stability.

"To me it is encouraging that the market has continued steadily to absorb all the gold *produced in spite of the recent* lack of sustained speculative interest.

"This being the case I feel moderately hopeful for 1984 and more so for the longer term even though it may be necessary to set our sights on a somewhat less exciting future for the metal than had seemed possible a few years ago.

"Against this background the South African mining industry has to contend with a general rate of inflation which has not yet been reduced to the extent achieved in many other countries, and an emergent black trade union movement whose expectations may not always be realistic. It will require a very positive effort by management to maintain competitiveness and profitability under these circumstances."

Cautious

Finally we come to Sir Alistair Frame, deputy chairman and chief executive of the London-based **Rio Tinto-Zinc** international natural resources group. He prefers a cautious approach to 1984. He says:

"*One important message* from the experiences of 1983 is that economic recovery alone is insufficient to raise many metal prices from their recessionary mire.

"*In stagnant or slowly growing* markets, such as those likely to persist for the next few years, strong self restraint by producers is the surest means of achieving higher market prices.

"Production of several important metals, including copper, responds relatively inflexibly to weak markets. Structural over-capacity has developed and it will probably not evaporate for many years. General inflation, and economic recovery can therefore no longer be relied upon to restore the mining industry's profitability.

"The mining industry is vigorously responding to the debility in its traditional markets by diversification and *cost cutting. In as much as the* higher cost mines are forced to rationalise or go under one paradoxical effect is to lower the industry's average costs, and hence the prices at which *it breaks even.*

"In 1984 much hinges on the performance of the U.S. dollar, whose strength contributed to the weakness of some metal prices in 1982-83. Even copper would benefit from a devaluation of the dollar. Past experience, however, has shown that it is as unwise to rely on this as on the beneficient effects of *economic recovery.*"

Busting nanny's trust

BY OUR LEGAL STAFF

A relative living in Australia some ten years ago settled a house he owned in England on his son, an Australian resident, when at school there; subject to the family nurse occupying the house for the rest of her life.

The son, is now a practising doctor in Australia and the "nanny" approaching the age of 30. Both wish to wind up the trust to save the fees payable to the London Bank acting as trustee. Can they save the fees payable to the London Bank acting as trustee. Can they do so? The trustee, although asked proffers no advice, in fact, the bank is happy with the present situation financially. Could you please also let me *know* whether any tax liability would arise if the trust is terminated? The trust has no other assets or income.

If nobody but the son and the nanny has any beneficial interest in the trust, they can do what they like about it. There would be liability to capital transfer tax on the estate of the nanny, but this seems very unlikely.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

The public trustee

I receive income from a Trust administered by the Public Trustee.

Originally, the Public Trustee charged annual fees against the accrued income, which it collected and administered. The charges were an allowable "claim for expenses" in my tax return. Now, the Public Trustee makes the annual administration charge as a percentage of the Trust capital, with the various dividends coming to me direct. My question is: Are these annual administration charges allowable as a "claim for expenses" in my tax return:

i) if tax is paid at the standard rate

ii) if tax is paid at the higher rate

iii) if investment income surcharge is paid?

The answer appears to be no (to each question), but the simplest thing is surely to ask the Public Trustee.

Leasing land

I shall be grateful for your advice on the following: "A" owns a small estate of *housing plus sundry plots of* land. The estate is managed for "A" by his solicitor. Through his solicitor "A" grants "B" a lease on a certain field for a fine of £250 plus an annual rent of £20. The lease is subject to certain restrictive covenants. The two most important restrict the erection of buildings and forbid the assignment of the lessees rights unless the entire premises are involved. Five years later "A" is informed by his solicitor that "B" has applied for permission to assign his interest to "C." "A" agrees by letter to his solicitor. Does this mean that "B" now has no rights or interest whatsoever in the field and that, the annual rent will be *paid by "C" direct to the* Estate? Should the lease document now be amended? If so, should the amendments be signed and witnessed? By whom?

Eight months later "A" is informed again by his solicitor that "C" wishes to erect some oil storage facilities on the land and is prepared to pay the estate £250. For the revocation of the restrictive covenants "A" agrees by letter to his solicitor. Again, should the lease document be amended, signed and witnessed at this stage?

Some 20 years later "A" discovers that a Deed of Release was drawn up by his solicitor at the time but which he "A" has never seen. Who should hold this Deed of Release? Should "A" have the right to demand sight of this document from his solicitor or from "C"?

"A" also discovers that "B" is still paying to the estate the annual rent of £20. Is this legally permissible bearing in mind that "B" previously *assigned his interest to "C"*?

1. Yes. But B remains liable to pay rent if C defaults.
2. No amendments are necessary.
3. Here too, no amendment is necessary, but C would be wise to obtain a formal deed of licence releasing the covenent so far as may be necessary. If the document described by you as a deed of release was not executed by A it has no value to C and will not affect the position as it was when there was only the letter of consent.
4. Unless the "deed" has been executed by the covenantee (A) it is of no effect. If there is a properly executed deed of release signed and sealed by A, it is C who should keep it, but A ought to keep a copy.
5. Yes. B remains contractually liable to A. But what you say suggests that B may have *sublet* to C rather than assigned the lease to him.

Enforcing an order

Please can you tell me if a court order obtained in the British courts can be enforced in Newfoundland and if so how?

There is a reciprocal enforcement agreement which allows for registration of the judgment in Newfoundland. The precise machinery for carrying out the enforcement is a matter for Newfoundland law, as to which we are not competent to advise.

National Savings income

***I would be pleased to know the* best time to acquire National Savings Income Bonds to avoid paying more tax than may be received over the period of the investment, also in the first year to be asked for tax on part of the interest before it is actually received.**

Similarly what is the position of major changes in any other interest received before tax as for example bank interest in respect of Case III?

From the item on November 19 there would seem to be tax problems in purchasing *National Savings Bonds between* say now and April 5, 1984. From April 6 onwards what is around the period to acquire such Bonds (as regards Case III tax trap) bearing in mind interest is paid monthly on the 5th of each month starting six weeks after the Bonds are purchased?

1st question—1st part: At a time when you foresee that the rate of interest paid in the second or third year will be equal to (or lower than) the rate in both the antepenultimate and penultimate years of ownership. Without a crystal ball (or *consummate skill in* economic forecasting), you may well toss a coin. Second part: After you have sent off your tax return.

Second question—You should insist on being assessed in accordance with the law, as confirmed in Hart v Sangster. If the inspector invites you to compromise by accepting assessments based on the actual amount of interest you receive, then it is probably best (and it is certainly simplest) to agree.

Third question—Soon after you send off your tax return.

The case III tax trap is something which has to be taken into account in estimating the cashflow yield from investments where interest is paid without deduction of tax (and without tax credit). There is a similar trap built into cases IV and V, and a rather different trap in cases I and II. Case VI is not so bad.

All these tax traps give the prospective victims a sporting chance. Broadly speaking the rules laid down by Parliament penalise taxpayers, whose income declines, but give tax relief to those whose income rises. This principle has been steadfastly maintained by chancellors of left and right alike.

SAVINGS OFFERS

BASE LENDING RATES

A.B.N. Bank	9 %	■ Hambros Bank	9 %
Allied Irish Bank	9 %	Heritable & Gen. Trust	9 %
Amro Bank	9 %	■ Hill Samuel §	9 %
Henry Ansbacher	9 %	C. Hoare & Co. †	9 %
Arbuthnot Latham	9 %	Hongkong & Shanghai	9 %
Armco Trust Ltd.	9 %	Kingsnorth Trust Ltd.	10 %
Associates Cap. Corp.	9½%	Knowsley & Co. Ltd.	9½%
Banco de Bilbao	9 %	Lloyds Bank	9 %
Bank Hapoalim BM	9 %	Mallinhall Limited	9 %
BCCI	9 %	Edward Manson & Co.	10 %
Bank of Ireland	9 %	Meghraj and Sons Ltd.	9 %
Bank Leumi (UK) plc	9 %	Midland Bank	9 %
Bank of Cyprus	9 %	■ Morgan Grenfell	9 %
Bank of Scotland	9 %	National Bk. of Kuwait	9 %
Banque Belge Ltd.	9 %	National Girobank	9 %
Banque du Rhone	10 %	National Westminster	9 %
Barclays Bank	9 %	Norwich Gen. Tst.	9 %
Beneficial Trust Ltd.	10 %	R. Raphael & Sons	9 %
Bremar Holdings Ltd.	9 %	P. S. Refson & Co.	9 %
Brit. Bank of Mid. East	9 %	Roxburghe Guarantee	9½%
■ Brown Shipley	9 %	Royal Trust Co. Canada	9 %
CL Bank Nederland	9 %	Standard Chartered ‖	9 %
Canada Perm't Trust	10 %	Trade Dev. Bank	9 %
Castle Court Trust Ltd.	9½%	TCB	9 %
Cayzer Ltd.	9 %	Trustee Savings Bank	9 %
Cedar Holdings	9 %	United Bank of Kuwait	9 %
■ Charterhouse Japhet	9 %	United Mizrahi Bank	9 %
Choulartons	10½%	Volkskas Intnl. Ltd.	9 %
Citibank Savings ¶	10½%	Westpac Banking Corp.	9 %
Clydesdale Bank	9 %	Whiteaway Laidlaw	9½%
C. E. Coates	9½%	Williams & Glyn's	9 %
Comm. Bk. of N. East	9 %	Wintrust Secs. Ltd.	9 %
Consolidated Credits	9 %	Yorkshire Bank	9 %
Co-operative Bank *	9 %		
The Cyprus Popular Bk.	9 %		
Dunbar & Co. Ltd.	9 %		
Duncan Lawrie	9 %		
E. T. Trust	9½%		
Exeter Trust Ltd.	10 %		
First Nat. Fin. Corp.	11 %		
First Nat. Secs. Ltd.	10½%		
Robert Fraser	10 %		
Grindlays Bank ‡	9 %		
■ Guinness Mahon	9 %		

■ Members of the Accepting Houses Committee.

* 7-day deposits 5.5%, 1-month 6%. Fixed rate 12 months: £2,500 9%; £25,000 12 months 8.5%.

† 7-day deposits on sums of: under £10,000 5½%, £10,000 up to £50,000 6½%, £50,000 and over 7½%.

‡ Call deposits £1,000 and over 5½%.

‖ 21-day deposits over £1,000 6½%.

§ Demand deposits 5½%.

¶ Mortgage base rate.

UK CONVERTIBLE STOCK 31/12/83

Statistics provided by DATASTREAM International

Name and description	Size (£m)	Current price	Terms*	Conversion dates♧	Flat yield	Red yield	Premium† Current	Premium† Range‡	Income Equ§	Income Conv¶	Income Div♡	Cheap (+) Dear (−)◇ Current
British Land 12pc Cv 2002	9.60	332.50	333.3	80-87	3.6		− 5.0	− 5 to 2	30.4	34.3	1.1	+ 6.1
Hanson Trust 9½pc Cv 01-06	81.54	271.50	107.1	85-01	3.6	0.1	− 1.8	−12 to −2	168.2	73.6	−34.2	−32.4
Slough Estates 10pc Cv 87-90	5.03	263.00	234.4	78-84	3.8		−10.9	−11 to −5	6.7	0.0	− 2.3	+ 8.7
Slough Estates 8pc Cv 91-94	24.72	123.00	97.5	80-88	6.5	4.5	0.1	− 1 to 6	21.6	25.0	2.6	+ 2.5

* Number of ordinary shares into which £100 nominal of convertible stock is convertible. † The extra cost of investment in convertible expressed as per cent of the cost of the equity in the convertible stock. ‡ Three-month range. § Income on number of ordinary shares into which £100 nominal of convertible stock is convertible. This income, expressed in pence, is summed from present time until income on ordinary shares is greater than income on £100 nominal of convertible or the final conversion date whichever is earlier. Income is assumed to grow at 10 per cent per annum and is present valued at 12 per cent per annum. ¶ Income on £100 of convertible. Income is summed until conversion and present valued at 12 per cent per annum. ♡ This is income of the convertible less income of the underlying equity expressed as per cent of the value of the underlying equity. ◇ The difference between the premium and income difference expressed as per cent of the value of underlying equity. + is an indication of relative cheapness. − is an indication of relative dearness. ♧ Second date is assumed date of conversion. This is not necessarily the last date of conversion.

مطابقة للأصل

UNIT TRUSTS

Overseas funds outshine

BY ERIC SHORT

THE END of the year is a time for reflection and taking stock of one's investments. In particular this is a time when financial commentators look at the performance over the year of unit trusts—an investment sector that is possibly the most closely monitored and scrutinised of all UK investments available to the private individual.

Once again overseas funds have led the performance tables. But somewhat surprisingly the pole position at the beginning of this month was held by a European fund—GT European—followed by a Japanese fund—Abbey Japan.

Far Eastern funds in general and Japanese funds in particular have had their prospects and performance well publicised by the various unit trust groups and their managers. But they have kept a much lower profile on European funds until this year—and with good reason.

Commentators and the unit trust groups themselves have for years been bullish of the prospects in the U.S. and North American and 1983 was no exception. Performance has tended to lag somewhat behind promise, although the return on the top North American funds has been good by normal standards.

AVERAGE PERFORMANCE OF THE VARIOUS FUNDS

(£1,000 invested a year ago)

Fund	Value £
European	1,591
Far Eastern	1,508
IT Trusts	1,397
International	1,391
Financial	1,381
North Amer.	1,366
Comm. and Eng.	1,357
UK Income	1,306
UK Growth	1,296
UK General	1,260
Gilt Growth	1,151
Gilt Income	1,118
Preference	1,043

This year has turned out to be a good year all round for equity investment, as illustrated by the table showing the average performance of the various groups of trusts. The table is more realistic in comparing unit trust returns with those on other investments.

UK funds come at the bottom of the table, although in most years a return of 26 per cent, that of the lowest equity group comprising UK general funds, would be regarded as exceptional. It has certainly outperformed the two groups of gilt and fixed-interest funds—investment vehicles which some commentators were recommending at the beginning of the year.

Indeed, the performance of those unit trusts which invest in the shares of investment trusts has been better on average than any of the three groups of UK funds.

European trusts have shown the best average performance, followed by Far Eastern funds. An average return of 50 per cent can be regarded as fulfilling the claims made for these funds.

The average performance of the North American funds comes way down the table, though a return of 36 per cent cannot really be criticised. The fund managers who handled the international funds appear to have put more faith in the U.S. market than in the Far East and the average performance is not much better than that for U.S. funds.

One tends to gloss over the poorest performers. Most of the bottom 10 places were taken up by gilt and preference funds—the average performance of the preference funds being abysmally low.

But the presence of two UK equity funds in the bottom ten, one of them occupying the very bottom spot, in a year when UK equities did well, must be causing some heartsearching within the management groups concerned.

UNIT TRUST PERFORMANCE—TOP FUNDS

Value of £1,000 invested one year earlier*

Trust	Value £	Trust	Value £
UK FUNDS		**EUROPE**	
Cannon Income	1,661	GT European	2,040
Schroder Smaller Cos.	1,518	Hendeson European	1,806
Brewin Capital	1,518	Barrington European	1,704
Tyndall Spec. Sits.	1,502	Hill Samuel European	1,643
F and C Capital	1,501		
N. AMER. FUNDS		**INTERNATIONAL**	
New Court Amer.	1,570	Oppenheimer Int. Gowth	1,799
Henderson Amer.	1,554	Prolific Technology	1,581
M and G Ame. Recov.	1,511	HK Technology	1,555
GT U.S. and Gen.	1,510	Ridgefield Int.	1,533
FAR EASTERN		**COMMODITY AND ENERGY**	
Abbey Japan	1,917	Aitken Hume Eng.	1,709
Fidelity Japan	1,844	Target Commodity	1,575
Crescent Tokyo	1,765	Tyndall Nat. Resources	1,574
TSB Pacific	1,700	Abbey Comm. and Energy	1,447
INVESTMENT TRUSTS UNITS		**GILT TRUSTS**	
James Finlay	1,441	L and G Gilt	1,211
Britannia Inv.	1,439	Holborn Gilt	1,204
Taget Inv.	1,400	Framlington Conv. and Gilt	1,186
S and P ITU	1,399	Canlife Gilt	1,175

* To December 1983.

Source: Money Management

Counting the cost of life's rewards

OVER THE next few weeks, as the traditional life companies make their bonus declarations for 1983, investors saving through a conventional with-profits policy will know how much profit they will be credited with for the year. What can they expect this time round?

Traditional life companies distribute their profits to policyholders in two forms. The first is an annual bonus which is added to the benefits under the policy. On a life policy the bonus is added to the amount paid when the policy matures or becomes a death claim. On a pension policy the bonus is added to the pension benefit. All with-profits policies will receive the annual bonus.

The second form is a terminal bonus paid when the policy becomes a claim. On a life policy this will occur when the policy matures or on the death of the assured person. On a pension contract the terminal bonus is added when the policy holder is about to draw his pension.

This year has seen a substantial rise in the capital value of both UK and overseas equities, very little rise in the capital value of property holdings and a slight lowering in interest rates on fixed interest stocks over the year. The investment income of life funds has grown steadily, primarily because the funds have a strong positive cash flow.

The over-riding factor facing life company actuaries in recommending bonus rates is the strong possibility that interest rates will fall even further over the next few years. The policy of almost all life companies is to keep the annual bonus rates stable and allow terminal bonus rates to be more volatile.

The present interest rate level will barely support the 1982 bonus levels. The bonus rates are maintained by the rising returns on equities and increasing rental income on property holdings.

Thus for 1983 the life company actuaries are most likely to hold their annual bonus rates at the 1982 levels. For many life companies this would mean unchanged bonus rates for the third year after years of steady rises. Actuaries will be more concerned with keeping bonus rates at a level they can maintain for a few years, rather than increase the rate this time only to have to cut it next year or the year after.

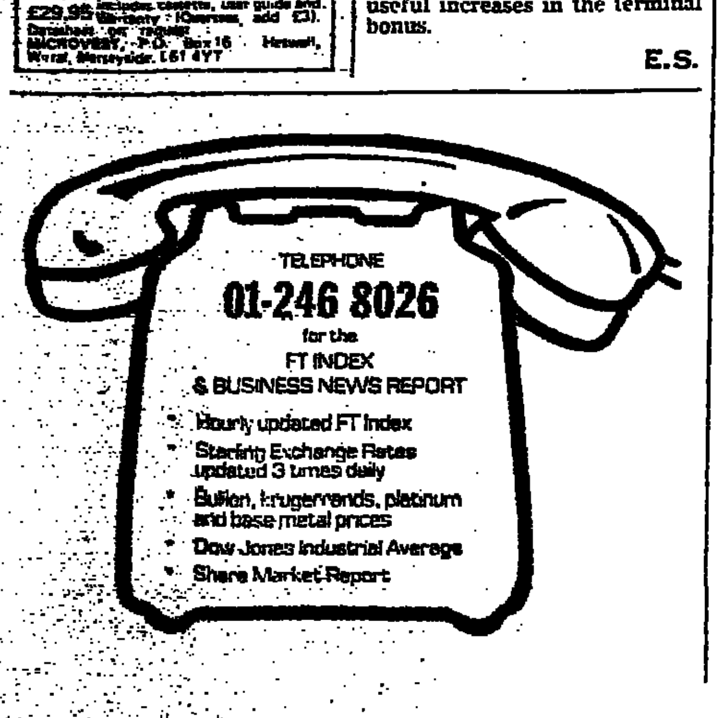
However, most bonus systems are compound. This means that in calculating the amount of bonus added, the bonus rate is applied to the basic benefit plus all previously declared bonuses. Thus policyholders will receive a higher bonus addition this year compared with last year even though the rate remains unchanged.

A few life companies may make very small increases in the annual bonus rate for 1983.

The benefit of the equity appreciation will come in the form of higher terminal bonuses, which directly benefit only those policies which mature or where the pension starts in 1984.

This is the action taken by two life companies which have reported their bonus rates this week. Commercial Union made an increase in its annual bonus rate which, while looking large on paper, affects only the longer term policies. But the company is paying a large terminal bonus for the first time. Sun Life Assurance kept its annual bonus rates unchanged but made useful increases in the terminal bonus.

E.S.



LIFE ASSURANCE

Insurers hanker for greater discipline

The established life companies do not like operating in a free market: they prefer to be regulated.

IT IS NOW 12 months since the Life Offices Association and the Associated Scottish Life Offices terminated their official agreement on commissions. This set out maximum commission scales which their member life companies could pay registered insurance brokers and other independent intermediaries for life and pensions business.

This meant that during this year all life companies have been free to pay intermediaries whatever commission they consider is satisfactory, with the only limitations being those imposed by the market place.

However, the established life companies do not like operating in a free market. They prefer to have a discipline imposed on them. During the year, many of them have operated unofficial commission agreements while attempts are made to establish a replacement commission agreement covering all life companies.

The scheme being considered by life assurance companies is the establishment of a Registry of Life Assurance Commissions, known as ROLAC. Under this scheme a central Registry would be established which would lay down maximum commission scales for various contracts and for different categories of intermediary.

Both life companies and intermediaries would register with ROLAC. The life companies would agree to abide by the commission scales. Intermediaries would be free to place business with any life company.

A steering committee, under the chairmanship of Brian Wright of Sun Alliance, has been working throughout most of this year co-ordinating the efforts of various working parties endeavouring to classify intermediaries and lay down commission scales for various types of contract.

In this he has the backing of the Government. Mr Alex Fletcher, Minister of State at the Department of Trade and Industry, has warned that while the Government would prefer the UK life assurance industry to control commissions by self-regulatory means, it would not hesitate to use existing powers and take new legislative powers to control the situation. He has indicated that the Government might require disclosure of all forms of remuneration by intermediaries.

Mr Brian Wright

Despite this threat of government intervention, the various sections' interests within the industry have yet been unable to agree on a comprehensive set of commission scales. The working parties have been back to the drawing board more than once, but at last seem ready to produce a final set of proposals by the middle of January.

These envisage three categories of intermediary. Category C would comprise those intermediaries who merely introduced the business, the sale being made by a life company representative, and the non-registered intermediaries. Category B would be the non-specialist intermediary who did some of the servicing and sales. Category A would be the specialist intermediary who handles most or all of the actual dealings with the client.

The main arguments have been over the classificatic "intermediary." Each life pany has championed the of those intermediaries provide their business. In ticular those companies re heavily on building societie their business have arguei a system that enables soci to fall in category A.

The British Insurance Brc Association (BIBA), in ticular is unhappy with latest ROLAC proposals. feels that the proposals do give proper recognition to specialist and the work he And ROLAC gives no encour ment whatever for i mediaries to register as i ance brokers. BIBA consi that the non-specialist gets much rather than the speci not getting enough.

E

William Dawkins takes a year-end look at world equity markets

Shopping abroad for safe shares

ORMAN RIDDELL, chief ...stment director, Britannia

...t is time for caution. This ...ot going to be as profitable ...ar as 1983 or 1982 in most ...ty markets, so one will ... to be much more selective.

... like the Japanese market ...er than any other, and it ... also be a good year for ...d fixed interest markets in ...U.S. and UK.

...ut prudent investors should ... have a percentage of their ...tfolio in gold shares. Over ... past two or three years, ... dollar has taken the place ... gold as a hedge against ...ertainty, but that trend ...s set to reverse.

...t's a political year in the ..., and that may put the ...lar under pressure. If the ...ction were tomorrow and ...agan ran again, he would ...—but a lot can happen in ... next 11 months.

TOM GRIFFIN, Chairman, GT Management

Japan looks less certain because of the election. It is much too early to assess what the outcome will be. As for the U.S., the high-tech stocks stand at the lowest premium to the market for some time. In particular, IBM looks terribly cheap and has a lot of running left in it, while Tandem Computer is a good investment for the more highly geared player.

I am also very positive about Europe but they are difficult markets for the uninitiated and one wants a spread. We still have a great deal of optimism about GT European unit trust.

Hong Kong is once again the best punt, though still not for widows and orphans. Its financial stability has been largely restored by the pegging of the Hong Kong dollar to the U.S. dollar but the downside is whether the political talks go desperately wrong.

JOHN MANSER, managing ...ector, Save & Prosper Group

The U.S. faces a presidential ...ction in November, a yawn...g budget deficit and upward ...essure on interest rates. It's ... rather heady combination, ...d I don't think anybody can ... certain how it's going to ...rn out.

But so long as U.S. interest ...tes remain at their present ...vel, the dollar will be over...lued.

I am still keen on Japan. The ...cent election will not in any ...ay diminish the economic ...owth Japan will experience ...d I expect corporate earn...gs to be up by an average ... 40 per cent over the next ...ear, with the smaller com...nies representing the fastest ...rowth sector.

Meanwhile, the yen still looks ...ndervalued on a trade basis.

IF YOU are hoping for a place on the gravy train next year, one way to get rich might be to buy a ticket to a foreign destination.

The weakness of the pound in 1983 has allowed many investors to make a killing out of currency movements, which have boosted the sterling values of their foreign shares, especially in the U.S., where the dollar has reached new highs.

The dollar's strength, combined with a healthy growth in company profits, has driven U.S. equities up by an average of nearly 37 per cent in sterling terms since the start of the year.

In local currency terms, the U.S. actually lagged behind the UK. But investors in the UK were unable to take advantage of exchange rate shifts and so had to content themselves with a mere 28 per cent rise on the FT All-Share Index.

The biggest fortunes of all were to be made in some of the world's most esoteric equity markets, like Mexico—the best performer by a large margin.

The Mexican index surged ahead by 286 per cent in sterling terms as it bounced back from a very low base on the strength of general recovery and the economic orderliness instilled by the previous year's debt rescheduling.

A Scandinavian investment would have produced the next best performance, with Oslo up by 136 per cent and Copenhagen 107 per cent ahead of the January level.

But the small size of these second-line markets means they can be disconcertingly volatile. What goes up quickly can just as easily go into an expensive free-fall.

So how can you cut your risks but still make big gains? And will the all-important dollar rise or fall in 1984?

Last January, we asked some of the experts where they would put their money in 1983. They were split between Japan and the U.S. as the safest bet. In the end, these two markets were almost level pegging, with Japan's 38 per cent sterling gain putting it ahead of the U.S. by a whisker.

The outright winner was James Fergusson of stockbrokers James Capel, who courageously put his money on the Netherlands and ended the year with a 50 per cent gain.

One or two of the others were caught on the wrong foot by the dollar's meteoric rise, but here they all update their tips for the coming year.

RETURNS ON WORLD EQUITY MARKETS (Percent to 23.12.83)

	£	$	Local
U.S.	36.67	21.08	21.08
Mexico	285.74	237.21	262.97* to 16.12.83
Oslo	135.82	108.92	130.35
Japan	37.88	22.16	22.56
FT-All-Share	28.58	13.92	28.58

Source: Wood, Mackenzie & Co

JAMES FERGUSSON, James Capel stockbrokers.

If the dollar continues to be substantially overvalued, U.S. interest rates are going to be high, which means that the New York market will not go up very much.

If the dollar collapses, interest rates should come down and the market should do better, but there will be currency losses. Either way, the upside for the U.S. seems limited.

Although the yen has motored ahead against sterling, it is still fairly cheap against the dollar. It seems possible that corporate profits growth of 40 per cent will materialise in Japan next year, and with growth rates like that, you don't need to worry about earnings multiples in the high 20s.

Some of the smaller markets were the really wild performers last year, and Holland still sticks out. The multiples there are in single figures, the yields are substantial and the currency is likely to do well.

IAIN ALLAN—partner in international department, Phillips & Drew.

For equities, we regard the U.S. as particularly attractive. Corporate profits in most major markets should be up by around 20 per cent in 1984, and this will underpin a general rise in equity values. The prospective p/e ratio in the U.S. is only about nine on our forecasts, against 12 for the UK. So the UK market looks a lot more expensive, as do Japan and West Germany.

We would also put a large weighting on dollar bonds. U.S. Treasury bonds are yielding around 12 per cent, which is a good margin over our forecast rate of inflation for the U.S. and UK of 5 per cent next year.

We don't expect much downside in bond yields since the U.S. budget deficit will still be uncomfortably high and we don't think that interest rates will come down next year.

DAVID LEROY-LEWIS, deputy chairman, Touche, Remnant.

The three main industrial markets, London, New York and Tokyo, are all at their highs. During the year, London will experience uncertainties about the election, the value of sterling and the oil price.

Uncertainties about the presidential election will begin to show in New York in the middle of the year and on top of that there are the worries about the budget deficit and interest rates.

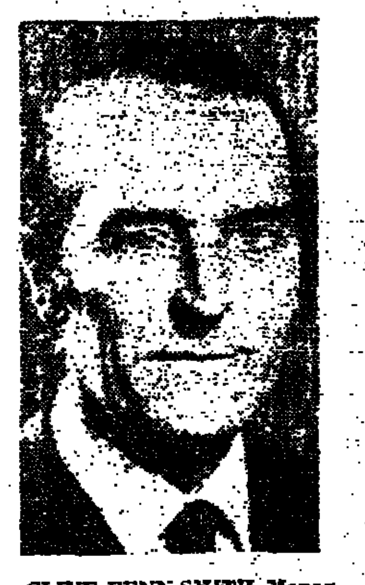
So you are left with Tokyo, where the election is over, the prospects are good and the yen is strong. I recommend an investment trust with the greatest percentage in Japan. Our trust for that area is TR Pacific Basin, 78 per cent invested in Japan.

PADDY LINAKER, managing director, M & G Investment Management

I will stick my money in the UK in industrial and engineering stocks. They are only a third or half way towards the end of their recovery cycle and a lot of these companies are going to produce very good figures during the next 12 months. Our trust for those companies is M&G Midland Industrial and General.

The Far Eastern markets have had an amazing year, but it's still possible to make money there.

But for anybody who wants to speculate with a small amount of money, I would choose our gold fund. It may start a bit under a cloud, but it should end the year in a blaze of glory.



CLIVE FENN-SMITH, Managing Director, Barclays Unicorn Group.

We have all been confounded by the dollar—it is ridiculous that it is as high as it is, but at the same time, it is hard to say what is going to make it come down again, except for a sudden lack of confidence. Nevertheless, I can still see the dollar falling against the pound next year.

So I would be inclined to put my money in Japan and Australia rather than the U.S. The Japanese market and currency have done well, and 1984 should be another good year.

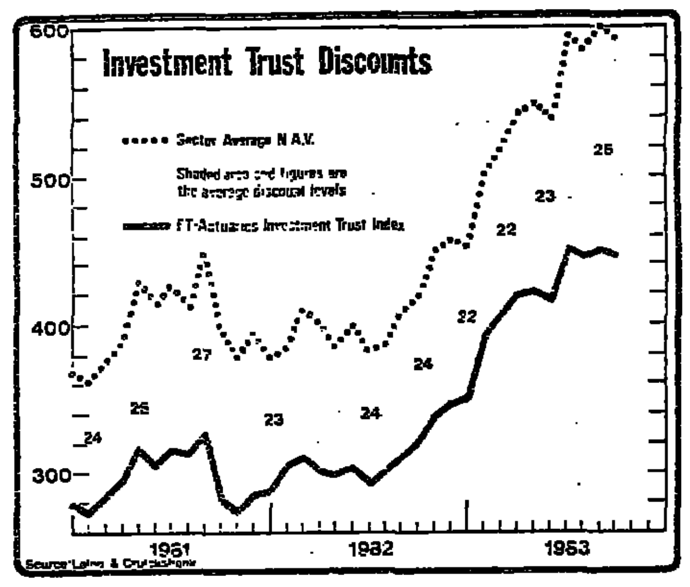
I would by no means discount the UK market for next year, but I would put my money into special situations rather than the bigger companies.

HARRY LITTLEFAIR, deputy managing director, Allied Hambro

We still think there is an upside to the U.S. markets, but not as much as we have seen in 1983. We are apprehensive that U.S. interest rates may move slightly upward, but there are still going to be very much higher corporate profits.

The AP-Dow Jones index should rise by 10-12 per cent in dollar terms over the next nine months.

Japan looks like a better bet for 1984. Better profit figures should drive the market to new highs and we expect the yen to be strong, so there should be an exchange rate gain in sterling terms; we are expecting a 15 per cent total improvement over the year.



The West is far from won

BY TERRY GARRETT

Investment trusts must be more innovative if they are to attract more U.S. buyers.

THE PERENNIAL discussion point in the investment trust sector is how to narrow the differences between net asset value and the market price at which the stock market is prepared to value individual shares.

For years stockbrokers of all colours have put the case that there is simply an oversupply of paper—too few investors for the number of investment trust shares. The lack of interest is vividly shown in weak prices trading at a substantial discount on asset values.

Up to now most suggestions have either been ways to make trusts more appealing to investors—specialisation, revitalisation of sleepy management teams, more aggressive marketing—or by reducing the amount of trust paper on offer—unitisation and liquidation. Needless to say the last two options are not highly popular among investment trust managers.

Anyway the point is either to lighten the amount of supply or encourage demand. Tentatively, the trust movement has moved down both roads but without achieving the required result in terms of narrowing the discount. Stockbrokers Laing and Cruickshank in their annual review have come up with another idea.

Weighing in at 2½ pounds, this year's review (the firm's 57th edition) is its usual exemplary work on the subject. But this time the firm has slightly changed its stance over the sector.

The only way to get £1 of assets reflected in a market price of, say, 90p rather than 70p is to work on demand beyond British shores, the brokers believe. They wonder whether a whole new breed of buyers might lumber over the hill from the west.

If the Americans can take large stakes in ICI and Glaxo why not in the investment trust market, say the brokers? It sounds like desperation. Yet if the thought causes a few wry smiles there is a fair point to be made.

U.S. investors can get to grips with the top couple of dozen British companies, where they have access to good investment research, but where do they turn to if they want to venture beyond these?

The basic philosophy of putting money into trusts—spreading risk and buying expertise in a particular area—could become relevant for U.S. investors.

The brokers' hypothesis is that the British trust sector could become an ideal home for international investors, not just from the U.S., looking for a broadly spread way into British equities. And, of course, there is a currency play which may influence their thinking.

Not that it is going to be as easy as lying back and thinking that the "Yanks are coming" to the rescue of the investment trust movement. There are only modest signs so far of U.S. institutional buying of the sector. If trusts are going to woo the Americans they will have to do some image making, and introduce more innovative marketing policies. Who knows, a few more British investors might then get interested as well.

Sun, sand, Scotch and a chalet

IN THEORY this column is supposed to be the fun corner. Let us whisk you away from all those worries about P/E ratios, management techniques, looming redundancy and retirement nest eggs. This is the spot for sun, sand, Scotch and escapism.

I have a suspicion, however, that the villa business is a field in which the fun world and the more accepted orbit of FT preoccupations collide. It is an area of entrepreneurial activity which is a minefield for both buyer and seller. It is full of small companies offering specialised services in which the consumer has to take a great deal on trust. The companies themselves are faced with the problems of bringing a small product range to the attention of a wide audience. The marketing costs are high, the risk of missing the target customer considerable.

This article may not make life easier for them.

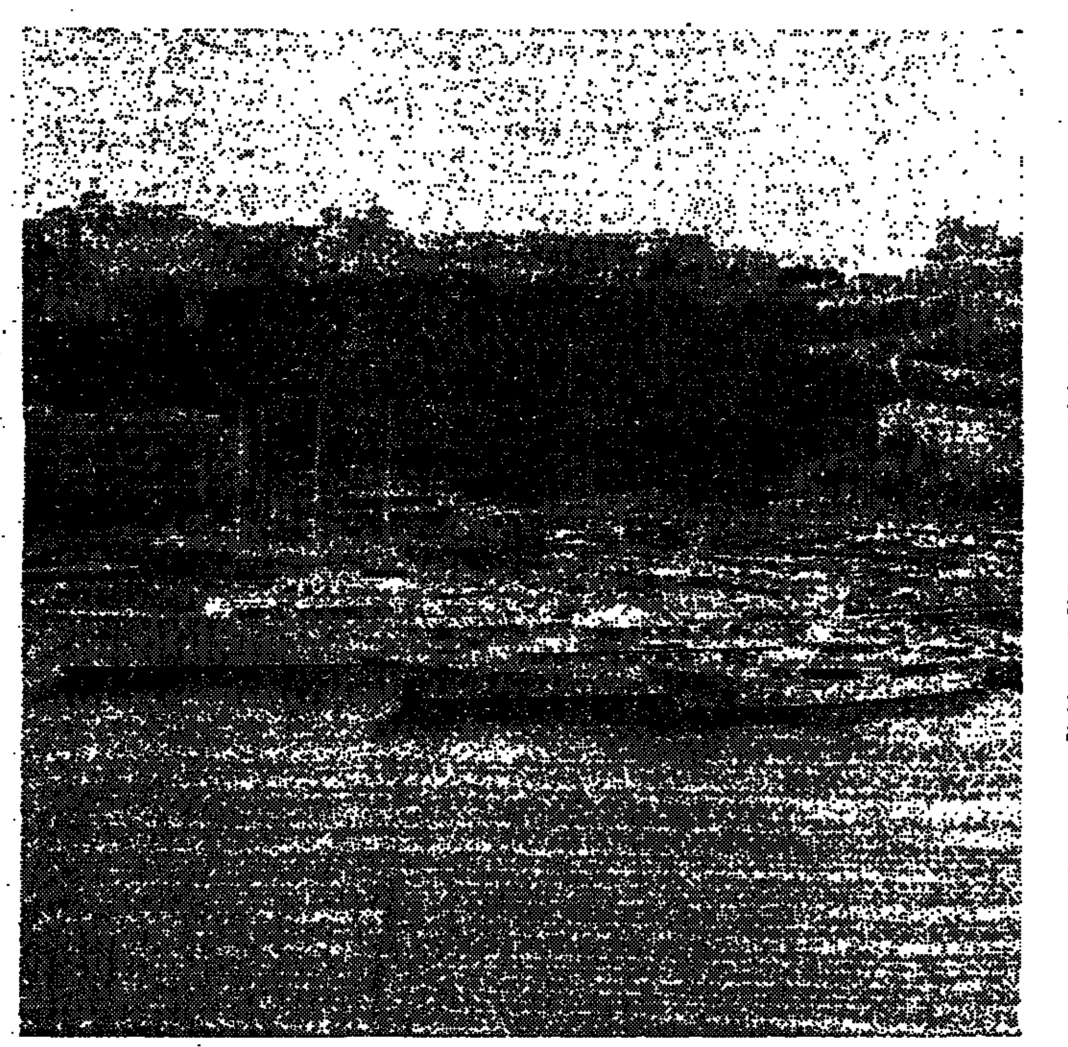
I say that because the first piece of advice I would offer is, with one exception, to seek out as many brochures as possible. The exception is where you have a firm, and reliable, recommendation.

The need for a wide range of brochures is simple enough. Villas, particularly those at the top end of the market, are one-off things. An hotel that has taken a booking always has other rooms for the next client. A villa, once booked, is gone. The villa rental companies, given that your first choice is already taken, will try to switch you to their best alternative. What you actually want is your best alternative, and that might be a property on another agency's books.

Unlike politicians, travel writers are allowed to change their minds. There was a time when I would have said "first choose your country" in picking a villa. My inclination now is much more one of "first choose your villa type." If you insist on maid service, a private pool and relatively modern facilities then the biggest selections are on the Algarve, the Balearics and the Caribbean; for rustic charm and settings, choose France or the UK.

Italy and Greece are strong areas for village houses where the visitor can integrate into the community and Scandinavia is splendid for families who are seeking log cabins amidst pine woods and alongside lakes.

These broad generalities are peppered with exceptions.



Luxury yachts at Monaco.

TRAVEL

ARTHUR SANDLES

Given that there are such exceptions these are some general areas of self-catering accommodation.

Holiday chalets (UK): Prefabricated mobile homes or wooden structures, usually in a "village" setting with a pool and basic shopping, bar facilities. In peak season a chalet that sleeps up to six (but cramped) would cost perhaps £150. Fellow holidaymakers are likely to be young, upper working class and with children.

River/canal/broads cruise boats: The waterways differ considerably in style. Our family of six would probably pay around £850 in peak season on the Thames and meet lower middle class fellow renters, but many somewhat better heeled owner drivers.

British cottages: A growing business, so book early for the best. British cottages are much less predictable than those of the Mediterranean basin and vary considerably in price. Around £150 should get a peak season olde worlde house in southern England that would sleep six. Prepare for restrictions (no pets for example) and to pay extra for heating and electricity. A young middle-class market.

French camping: Tents come, already erected with full cooking and relaxing facilities and many these days with their own chemical lavatories. French camp sites are excellent, often with good basic restaurants and swimming pools. Our six would pay £560 in peak season for the whole group for two weeks, including ferry fares and two nights in an hotel if required. Fellow campers would be 30-40-years old, over-mortgaged young executives, plus families. The company Rover set.

French gites: Like British cottages they almost defy broad categorisation. Brittany has the modern ones, the Dordogne the rural rustic. The basic cottage rental for six would be around £190 a week at the height of the season in the Dordogne (many operators do all-in packages to include ferries). Appeals to middle class stockbroker belt with young teenagers (a bit quiet for older offspring).

French boats: The French waterways have yet to be discovered by the French themselves. Much quieter than the British one, they need careful study since some of them, the Canal du Midi for example, have an over-supply of locks. Around £600 a week in the summer school holidays for the boat.

Riviera villas: The very top of the market. Excellence in every respect. If you want a nice house in August with its own pool and a view of the Mediterrean that will sleep six people sybaritically then expect to pay around £2,000 a week. Many owners will only rent for one month at a time. Your neighbours are likely to be owners of successful medium-sized businesses just launched on the USM. Popular for running house parties with different friends dropping in to be impressed.

Algarve villas: Free standing, with its own pool, maid service, garden and good setting. Will cost upwards of £400 per person for two weeks, flight included, for a good one. Some companies include car hire. Popular with professional, self-employed.

Algarve villa complexes. Terraced or semi-detached properties, surrounding a pool. Perhaps better than free-standing ones if you have small children who want to mix with their counterparts. Around six would pay around £250 per week each (£300 for two weeks) and the price would include flights from UK. Young execs.

Algarve apartments: Usually sharing a pool and with shopping and restaurant facilities. Very much like a do-it-yourself hotel. Around £220 for two weeks in the high summer per person, including flights. An apartment to take six would be hard to find. Normally four is about the comfortable limit. A young, first self-catering abroad, market mixed with retired couples.

Jamaica: Why go that far unless you are looking for the best? The best, for six, would cost around £800 per person with flights included for two weeks in the early spring. For that you would get a large villa (six beds) with its own pool and a delightful setting. Car hire, maid and cook included. Customers are a confusing cocktail of American and British visitors, many of them the self-made rich, and some the old Caribbean hands.

Florida: Sunshine luxury for about £1,000 for two weeks (flights and car included) for a six-bed residence in Palm Beach in April. Popular with the new money set, but most neighbours will be from the north eastern American states.

Spanish villas: Spain is not all fish and chips and light ale. There are some very good villas indeed both on the mainland and the Balearics. Say upwards of £850 per person for a villa for six with pool for two weeks, with flight and car rental included. Some basic maid service. Spanish maids do not often like washing up, however. Similar custom to the Algarve but a bit less pretentious.

Italy: Not the easiest of places to find a villa. Compared with rival countries few agencies offer it so you are likely to be thrown onto person-to-person negotiations. A guide price would be £600 per person for two weeks, flights included, for a party of six. Culture seekers and old money tend to home in on Italy, particularly older former farmhouses in Tuscany.

Greece: Again it is not easy to find villas, particularly with their own pools. Apartments are much more common. £400 per person for two weeks in a villa for six near the sea is about right for many Greek islands (flights included). Such a villa would not have a pool. Appeals to lotus eaters.

Lanzarote: Of growing popularity with the British, Lanzarote has a wide range of self-catering accommodation. Around £250 for two weeks in peak season, flights included, gets you into a linked-villa development. Particularly popular with couples with young children.

Scandinavia: Another excellent destination for families, particularly when parents want to woo the kids away from a diet of Spanish beaches and rowdy discotheques. Wooden chalets, walks among the pine needles are the order of the day: Simple but efficient chalets in village settings are the norm and the price range wide — upwards of £80 a week. A party of six might have to take two chalets on some developments. The ruddy cheeked, brown rice, set.

Sea going boat rental: Take great care who you rent from. In a business full of fast-talking itinerants the buyer must beware. Sadly, for respectable newcomers, one of the first checks to make is that the agency was there last year, and the year before. Boats come fully crewed and prices are usually quoted in dollars. Sail is much cheaper than power. With berths for six on a powered yacht you start talking at $5,000 a week for the simplest of craft a gentleman would be seen on, and perhaps $15,000 for something which is going to wow them in Antibes. If you have to ask whether mooring fees are included, you can't afford it. They aren't.

● Further information: All national tourist offices keep lists of companies offering villas, gites, cottage, apartment, tent and caravan rentals. This is probably a good starting point. Many self-catering operations do not sell through travel agents, but some of the bigger ones do. The English, Scottish and Welsh Tourist Boards offer lists of central agencies and local tourist information centres hold lists of approved self-catering accommodation which, apart from the small advertisement section of newspapers, is the only way you will learn of direct owner rentals.

The first three places in the ... of the Year 1984 Contest ... taken by small/medium ... hatchbacks. Winner by a ... head was the Fiat Uno, ... stubby-tailed for interior ... but economical and refined ... beaten into second place — Peugeot 205 (centre), curvaceous with massive ... area. Third was VW's new ... It lost points because it ... too much like the old one.

Fiat's Car of the Year

MOTORING

STUART MARSHALL

FIAT'S UNO is Car of the Year 1984. In a photo finish, it just pipped the joint favourite, Peugeot 205, at the post. Fiat is delighted with a morale-boosting win. Interestingly, the car the Uno succeeds, the Fiat 127, was Car of the Year when it was introduced 13 years ago. For several years it was also Europe's best selling car, which is not always the case with Cars of the Year. Witness the Rover 3500, Talbot (*nee* Chrysler) Horizon and Lancia Delta, to name but three.

The Fiat was awarded 346 points by the international jury; the Peugeot 325 points. The runners-up were VW New Golf (156 points) in third place, Mercedes-Benz 190 fourth (116 points) and Mazda's 626 fifth, with 99 points. It is the first time a Japanese car has been placed so highly in the Car of the Year contest—a reflection of the excellence of the new generation and a straw in the wind, perhaps, for a victory one day.

Citroen's BX—awarded the Top Car 1984 Trophy by Britain's Guild of Motoring Writers a few weeks ago and also chosen Towcar of the Year by caravanning interests—was sixth (77 points). Close behind was the Austin-Rover Maestro (70). After the seven leaders, any one of which was good enough to have been chosen Car of the Year in past contests when the entry was smaller and competition less keen, the list reads: 8 Honda Prelude (38); 9 Opel Corsa (sold here as the Vauxhall Nova) with 32 points; 10 Alfa 33 (30 points); 11 Toyota Corolla (16); 12 BMW 3-series (9); 13 Toyota Camry (7); 14 Datsun Micra (4) and 15 Daihatsu Charade (0).

On a personal note, the results conform reasonably closely with my own forecasts, made here on October 22, though this time I didn't pick the outright winner. My money was on the Peugeot 205 and I thought the VW Golf would be second, followed very closely by the Fiat Uno. When marking my card I also put the Mercedes-Benz 190 fourth (it was), Citroen BX fifth (it came sixth), sixth the Opel Corsa (ninth) and I was right about the Maestro, which came seventh as predicted. I tipped the Mazda as a dark horse.

Peugeot must be feeling disappointed that the jury's verdict favoured the Fiat Uno, not the 205 but is no doubt consoled by the 205's great popularity in the marketplace, where it is putting the ageing Renault 5 under great pressure. The Uno was heavily supported by British members of the jury, I understand. This may have tipped the balance against the Peugeot. An argument in favour of the Uno is that it is being sold at so keen a price in Britain. The basic 3-door, 4-speed 903 cc Uno is £3,377; the 5-door, 5-speed, 1.3 litre Uno 70 Super only £4,420. Compare that with the Metro HLE (3-door and 4-speed) at £4,829 and the 3-door, 5-speed Fiesta 1.1 litre Ghia at £5,100 and yo... understand why Fiat's co... tors reckon the Uno is ... priced in Britain.

At the New Golf's ... national Press launch ba... the summer, Volkswagen ... talking as though its cho... Car of the Year was a for... conclusion. I thought it ... do better than it did. VW ... be sore that it scored less ... half the points of either U... Peugeot 205. Mercedes ... deliberately launched the ... 190 after all last year's ... shows were over, consid... that it did not need that ki... exposure to make a big in... They will not be best pl... at Stuttgart with fourth ...

I still think the 190 is th... to catch for sheer engine... standards — and super... handling—in the mid-size ... but it is undeniably expe... and value for money is o... the Car of the Year jury's ... sticks. Only overwhel... support from Britain se... the Citroën BX sixth ... ahead of the Maestro.

Maestro was not disg... with seventh place. Desp... lot of politician's talk o... being the best car in the ... at the time of the last BL ... it doesn't really make the ... division internationally. Sev... place was about right: per... the LM 11, the booted Ma... derivative due out early in ... New Year, will do better in ... 1985 CoTY contest. Much ... of course, depend on the ... petition, which I doubt wil... as formidable next time.

BMW's lowly 12th place ... a mere nine points for ... 3-series must be an indica... that its "same again" ... unfavourably impressed ... jury.

Thoughts on the year ahead

AND WHAT will 1984 bring the British motorist? Higher fuel prices, one may be certain. The oil companies, encouraged by the way four-star prices have been maintained around the £1.83 per gallon level, will try to jack them up further. Mindful that UK petrol prices compare favourably with those in most Continental countries, so will the Government. Every time petrol goes up, the diesel car makes more sense, as mainland Europeans discovered a decade ago. Next year, Ford will introduce three small cars powered by its own 1.6 litre diesel. The market share of diesel cars will go above 2 per cent—perhaps as high as 50,000 units. I shall resist the temptation to say "I told you so."

Car makers will continue to feature even lower aerodynamic drag figures in their advertising. This will confuse the public and obscure the fact that low drag cars may be unstable in strong crosswinds and that fuel economy gains are made only at higher speeds.

More cars will be sold with mini-spares or at least cheaper than normal spare tyres on inexpensive wheels. If manufacturers charged extra for the fancy alloy wheel and ultra-low profile tyre that sits unused in the boot of so many cars, much of the opposition to mini-spares would wither. Used properly, they are absolutely safe, as even the Swedes have proved to their satisfaction.

There will be more new turbocharged cars in 1984 and the market for cars with four-wheel drive, either for high performance in safety or for added off-road mobility, will become still more competitive. Look out for a spread of anti-lock braking systems (and, I fear more talking dashboards) as electronics relentlessly advance. Expect CVT — continuously variable transmission —to bring all the benefits of automatics and none of the snags to downmarket cars.

A Happy New Year to you all —especially to those hundreds of readers who have written with their views on topics ranging from cars for the very tall to police attitudes on road traffic law enforcement.

HOLIDAY & TRAVEL ADVERTISING ALSO APPEARS TODAY ON PAGE 2

Competitive year ahead

BY JUNE FIELD

HOUSE-SELLING and ng business has many comive forces lined up for and not all from tradial outlets.

part from large consortiums gents, franchise operations, property shops, there are Lloyds Bank Black Horse ncies (they now top the gue of estate agents' groups 142 offices), builders' ange schemes (Barratt's their own special selling p), and the building socie- are proposing to go into te agency. (The Abbey onal launch their property fice next month.)

how does the changing of estate agency help the sumer?

According to Vivian Moon, rman of National Homes work, the chain of 800 indedently owned estate agents and the country, both buyers sellers will get a better ice through investments g made in electronic comnications systems, plus the of modern marketing hods.

nd this will not mean more te agents but considerably er. He expects the number small businesses to decline matically over the next few rs. Currently 87 per cent of country's 9,400 estate agents fewer than three offices. (A ent survey by the Estates ette revealed that there are 125 actual estate agents' ces in the United Kingdom.)

eremy Agace, chairman of nn and Company with well r 110 branches, and 200 proted for 1985, says he welhes competition, and conds that the Lloyds Bank ve into the market has ught respectability to estate ncy "which shows how much ter banking public relations than ours."

Mr Agace maintains that he nts to place service to clients the top of his list of priori- s. "This of course means ucating the public into payg for it, as well as training em away from some of the ditional agency methods."

Top of his list is the abolition unnecessarily long sales parulars to which we have all come so conditioned. The ller should not expect them—they get *sensitive when we* ve not described the place in flowery manner"—and most yers on a mailing list who do t call at their agents' offices e "usually a waste of time."

Down with detailed measurements, says Mr Agace ("into the bay, behind the skirting and around the alcove"), the precise location of power points and the number of shelves in the larder. "At best one needs to know the number of rooms, the size of the garden and information about the central heating, plus a photograph of the property."

Not everyone will be satisfied with such spartan details. Important in assessing outgoings are such vital statistics as the amount of rates payable (there is a tendency anyway these days just to give the rateable value of a property and not work out the actual cost, and water rates are rarely mentioned), as well as figures for ground rent and maintenance for a lease.

And on three separate sets of particulars on different flats in the same block that I received recently, I noticed a discrepancy of between three and seven years quoted regarding the length of the lease.

While one can do without the dimensions of broom cupboards, coal stores and the like, and *take low-level suites and* pedestal wash-basins as read, I do expect that the initial sales aid sent me, the "particulars," will stimulate an interest to view. And I make no comment on the wholly black photostated blob on one set this week which purported to be an illustration *of the "much sought after property."*

Where to buy? Charles Lissack of Benham and Reeves recently opened St John's Wood office tips the Maida Vale W9 district of London, where he predicts that as many as 400 to 500 converted flats will come on the market in 1984.

"The most interesting feature of this mass development is that it is being carried out solely on the basis of projection rather than precedent." He says to look for studio accommodation at £35,000, one and two bed*room flats from £45,000* to £75,000 or so.

In Fulham, this year's success story for property, the real boom period is probably over, admit Farrer Stead and Glyn: "Higher than average percentage increases have been experienced, so whether they will continue is anybody's guess, although the law of supply and demand will obviously prevail."

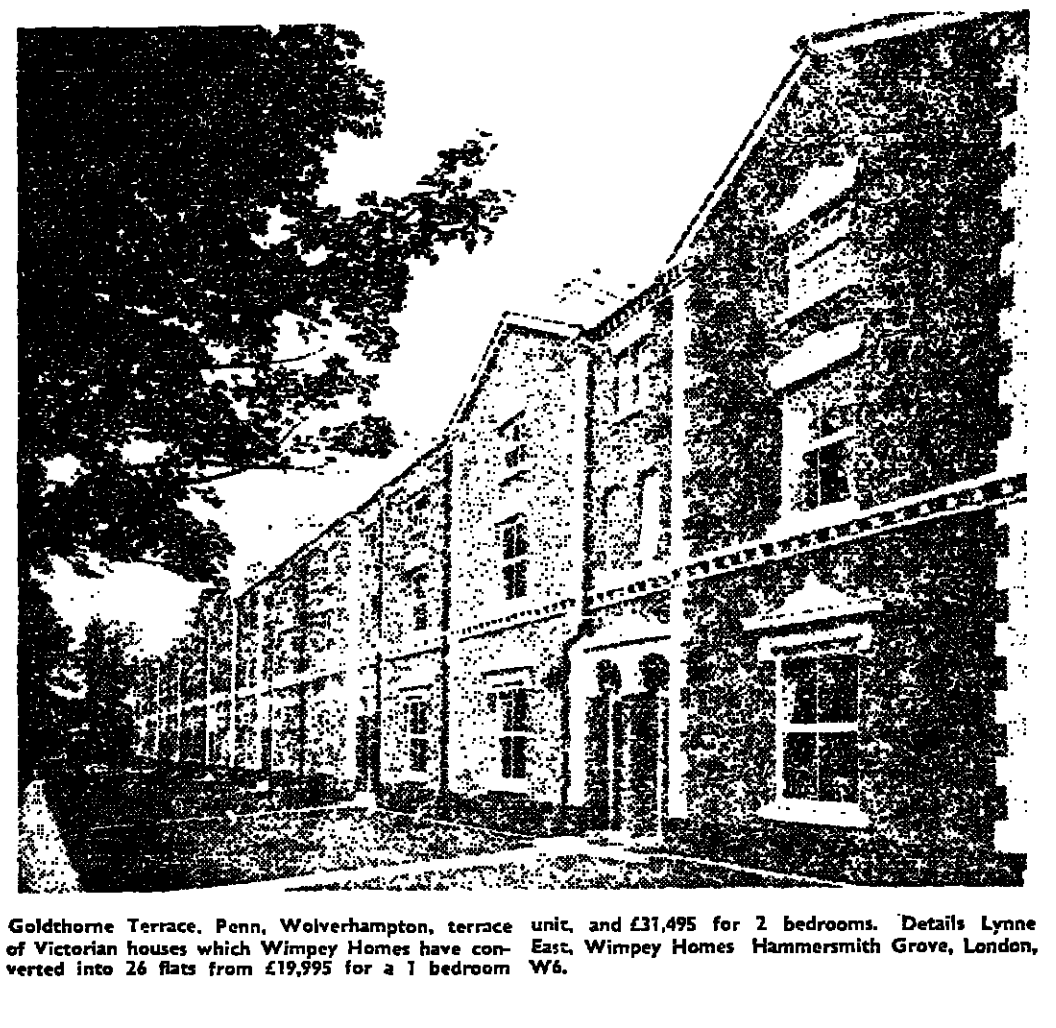
To get more space for your *money, they advise going south* of the river to Battersea, Clapham and Wandsworth. "Here young professional couples can find a good-size property retaining all its original features which only needs some updating." A Victorian terrace cottage off Wandsworth Common should be under £50,000, or a six-bedroom Victorian house in Clapham Old Town nearer £90,000.

In Brighton the solid virtues of Victorian and Edwardian houses with original fittings are now being appreciated, says Christopher Cox, partner in *Fox and Sons, London Road,* Southampton: "They are often better value at £40,000 to £50,000 than the typical inter-war three-bedrom semi-detached house which is often in the same price range. For the bargains in this type of house you need to go to Cornwall where prices are in the £22,000 to £30,000 bracket.

"The average price across the south for a modern two-bedroom flat is around £26,700, with the highest levels achieved in the popular retirement areas of Bournemouth, Lymington and Torquay, where figures are nearer £40,000-plus. Whereas in parts of Somerset and north Wiltshire similar accommodation could cost rather less than £20,000."

East Anglia, which suffered for years from poor road com*munications,* has received a significant boost from the M11/M25 link, and the M11/A1 link. Savills' Chelmsford office call Cambridge a growth city which has capitalised on its improved road and rail access, and insist that in Norfolk and Suffolk there are still many houses *which offer real value for* money when compared to the home counties. They recommend 1984 house buyers to seriously consider this "underrated and under-valued area."

Bill Miller of Strutt and Parker who has produced a use*ful* "Property Trends" leaflet (free from their office at Coval Hall, Chelmsford), says that only now are people from outside the county beginning to wake up to the fact that most of Essex is both a prosperous and attractive part of Britain. "Anyone considering a move to *the area should do so soon,* and thus take advantage of the special increase in property values which historic evidence leads us to believe is about to take place."



Goldthorne Terrace, Penn, Wolverhampton, terrace of Victorian houses which Wimpey Homes have converted into 26 flats from £19,995 for a 1 bedroom unit, and £31,495 for 2 bedrooms. Details Lynne East, Wimpey Homes Hammersmith Grove, London, W6.

Well fitted apartment in Hyde Park Towers, Porchester Terrace, London, W2, has superb views over Hyde Park. There are 3 bedrooms, 2 bathrooms and 2 balconies. The 992-year lease to December 31 2975 is £315,000 to include carpets, curtains and equipment, and the contents are available by negotiations. Details Nicholas Cooper Savills, 20 Grosvenor Hill W1, who will also send a copy of the firm's "Property Outlook '84" published today.

The Brits begin to show their strength

CHESS

LEONARD BARDEN

WHILE Korchnoi and Kasparov fought out their match at the Great Eastern, young British players were quietly gaining fresh honours on the autumn tournament circuit. Three major internationals — Accountancy Age, Ramsgate and Brighton — each had a home winner (Plaskett, Hebden and Nunn) while the influx of invaders from Eastern Europe and the U.S. found the going difficult. Britain's strength in depth of master and expert players is beginning to be a legend the world over, and I believe that on 50 or 100 boards we could now defeat any nation outside the USSR, Hungary, Yugoslavia and the U.S.

A new or rather upgraded event this autumn was the Accountancy Age Masters (formerly Lewisham) held at the Grosvenor Hotel. The sponsors provided a first-class venue, an expanded prize fund, the chance of GM and IM norms, and, as an original touch, a special closed championship restricted to those connected with accountancy. This last brought in a high entry for such a busy profession of 60 competitors, many of good club or county strength.

Play in the international began with a surprise failure when Tony Miles, the top seed, was clearly tired after his recent victory over Karpov and withdrew with 2½/5. This left the way open for Jim Plaskett to add to his many successes of 1983 and take first prize with 7½ out of 9—a result which also assured him the £2,000 Leigh Grand Prix for the best overall results of the year in British tournaments. Crouch and Hebden shared second place with Rigo (Hungary) and Westerinen (Finland) on 6½, while GM Michael Stean scored 6 on his comeback.

Competitive and maximalist, Plaskett rarely concedes a short draw, aiming at tense unbalanced positions with an ultimate tactical resolution. This week's game, typical of his style, decided the tournament.

WHITE: C. S. Crouch
BLACK: H. J. Plaskett
Queen's Indian (Accountancy Age 1983)

1 P-Q4, N-KB3; 2 P-QB4, P-K3; 3 N-KB3, P-QN3; 4 P-QR3, B-R3; 5 Q-N3.

White has adopted Kasparov's favourite 4 P-QR3 with a novel follow-up. The logical answer is 5...P-Q4, probing the light squares, but Plaskett prefers a sharper counter.

5...P-B4; 6 P-Q5, P-KN3; 7 B-N5, P-R3; 8 B-R4, B-KN2.

Not here 8...PxP? 9 Q-K3 ch, next move White should simply develop by 9 N-B3.

9 PxP? QPxP; 10 N-B3, 0-0; 11 R-Q1, Q-K2; 12 P-K4?

A second and more serious mistake, creating a hole at White's Q4.

12...P-KN4; 13 B-N3, R-Q1; 14 RxR ch, QxR; 15 P-KR4, P-N5; 16 N-KR2, N-B3; 17 B-K2, Q-Q5!

Most players would automatically occupy the outpost square with a knight. Instead Black sacrifices a piece to trap the white king in the centre.

18 Q-R4, NxP!

So that if 19 QxB, Q-Q7 ch; 20 K-B1, NxN wins.

19 QxN, Q-Q7 ch; 20 K-B1, Q-B8 ch; 21 N-Q1.

No better is 21 B-Q1, NxB ch; 22 PxN, BxP ch; 23 K-K1, BxN ch; 24 PxB, Q-K6 ch.

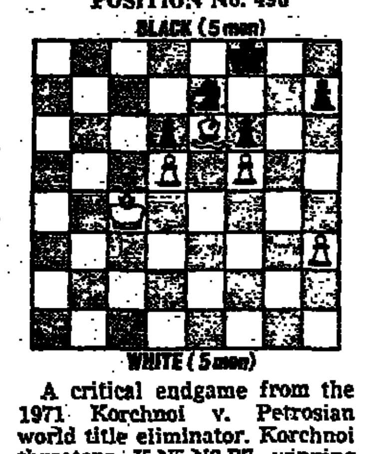
21...R-Q1; 22 K-N1.

If he protects the attacked *knight* by 22 Q-R4, then BxBP! wins at once. As played, Black's king hunt leads to mate.

22...NxB; 23 PxN, B-Q5 ch; 24 K-B1, BxBP; 25 K-K1, BxB; 26 KxB, Q-B7 ch; 27 K-K1, B-B7 ch! 28 NxB, Q-B8 ch; 29 K-K2, R-Q7 ch; 30 K-K3, R-Q8 ch; 31 K-K4, Q-B5 ch; 32 K-K5, Q-Q5 mate.

POSITION No. 496

BLACK (5 men)



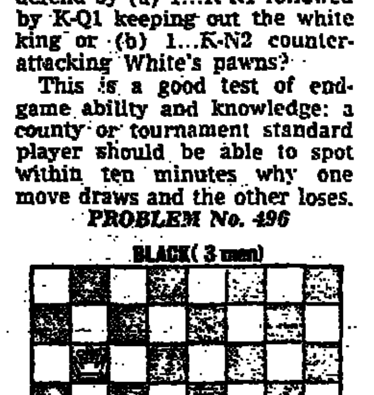
WHITE (5 men)

A critical endgame from the 1971 Korchnoi v. Petrosian world title eliminator. Korchnoi threatens K-N5-N6-B7 winning the queen's pawn. Should Petrosian (Black to move) defend by (a) 1...K-K1 followed by K-Q1 keeping out the white king or (b) 1...K-N2 counter-attacking White's pawns?

This is a good test of endgame ability and knowledge: a county or tournament standard player should be able to spot within ten minutes why one move draws and the other loses.

PROBLEM No. 496

BLACK (3 men)



WHITE (5 men)

White mates in three moves at latest, against any defence (by G. Schaffner, 1978).

Solutions Page 12

A New Year time for catalogues

GARDENING

ARTHUR HELLYER

WHAT BEGUILING publications the seed catalogues are. Many are lavishly illustrated in colour and I counted well over 400 pictures in one and estimated about 800 in another which is more than one would expect in a book costing around *£10. Many also give excellent* cultural instructions. Most make a great point of the novelties they offer and there is no doubt that constant improvements are being made, though most are less sensational than the copy writers would lead one to believe. But we all hanker after change and it is nice to be up to date so I make a point each summer of seeing as many of the big seed trials as possible.

This year I made notes of about 50 newcomers that seemed to me to be impressive but not *all have appeared in the cata*logues I have received so far and the following are those that I know to be available.

The first is not a flower but a fruit, a new strawberry named Sweetheart which, if sown in a propagator in February and planted out in May will be cropping by mid-August. This is not a tiny fruited alpine strawberry but one with fruits of normal size and the plants can be treated in subsequent years as perennials to be increased by runners in the usual way.

There is nothing new in the production of large fruited strawberries from seed but in the past it has been almost confined to breeders in search of improvements and, so far as I know, this is the first time that seed of a true breeding strain of this kind has been offered to the public.

Among the flowers there continues to be steady improvement in the variety and quality of geraniums that can be raised from seed and I am particularly impressed by Hollywood Star which has rose-pink and white flowers and is very distinctive. I also like *Orange Cascade* which several seedsmen are listing as Red Fountain. I do not know its parentage but it has the leaves of a zonal pelargonium and some of the habit and flower character of an ivy-leaved pelargonium. It is bright red and attractive either as a quite low ground covering plant or in pots or hanging baskets.

Cherry Diamond and Scarlet Diamond look good in a more conventional way and are said to be early flowering which is an advantage for home gardeners few of whom are prepared to spray their seedling geraniums with Cycosel to start them flowering in June-July.

In general I find marigolds rather a bore, because, though breeders are constantly claiming marvellous improvements, most appear to me much the same mixture as before. For example I have long thought Naughty Marietta the best of the single flowered French marigolds but I was attracted last summer by a newcomer named Pascal which my field notes describe as a shorter Naughty Marietta, 6 to 8 inches high instead of 12 inches. It should be *excellent for edging and carpeting.*

Also noteworthy are the new Inca African marigolds of which I saw three, Inca Orange, Inca Gold and Inca Yellow. They are very compact and regular in growth and have the typical ball-shaped flower heads of the best African varieties. Experts are saying that they will replace the "Lady" series (First Lady, Gay Ladies etc) which is probably an exaggeration but they do appear to have the edge over them.

For some reason I have never understood, the very small-flowered marigolds are never listed as such but as *Tagetes signata.* They are delightful little plants and I took an immediate likeing to a newcomer named Star-fire Mixed. This is a fine mixture of all the available colours and combinations, lemon, yellow, orange, and bronzy red. It is, I imagine, just what the home gardener wants.

By now every gardener who grows petunias must know that the Resisto varieties, and particularly Resisto Rose, are the best multiflora petunias to stand our weathers. Now their ability to recover quickly from rain damage has been transferred to a range of grandiflora ie large flowered, petunias named Recoverer. I cannot find these in any retail list but they are in wholesale catalogues so presumably will be available in some shops and garden centres. Recoverer White was the one I particularly noted on trial and it looked really good though of course last summer was not hard on petunias. If it can be found I regard it as well worth a trial.

Lobelia Ruby Cascade, an Unwin introduction, is claimed to *be the first-ever red lobelia.* That depends how you interpret "red." It is certainly redder than Red Cascade from which, presumably, it was bred and it is a good trailing lobelia but still, to my eyes, a considerable way from pure red. Perhaps plum red would suit the case. Rosamund is another well removed from the usual blue of lobelia, a pretty shade of light lavender purple and a plant of compact, not trailing, habit.

Among scarlet salvias Ryco, also an Unwin introduction was the only one to attract me. It *is not startlingly different from* the rest but it has good, dark green leaves, a compact habit and an ability to start flowering early and keep going until the autumn.

The Domino varieties of nicotiana offer something that is distinctly different. The plants are even dwarfer than the Nikko varieties, which I had previously considered the best of this type, and the flowers face upwards which you may or may not consider an advantage. It certainly is if the object is to make a solid mass of colour but it lacks the natural grace of the wild sweet tobacco plant. But if it is grace you are after you would probably go to a variety of normal height such as the well-known Sensation Mixed, up to 3 feet high and giving all the nicotiana colours. Domino is being offered in mixture but in the trials I saw red, crimson, pink with white eye and white were grown as separate colours.

Two excellent new annual pinks are Dianthus Colorama Mixed, a very dwarf compact plant with very double flowers sitting close to the leaves, and *Telstar Mixed which is a little* taller and has single flowers which in their bright, often ringed colours reminded me of Sweet Williams.

Aster Meteor is a fine annual aster for cutting as its very firm, double, rose-pink flowers are carried on exceptionally sturdy stems. The best new impatiens I saw was Blitz, very dwarf with extra large scarlet flowers freely produced. I also liked Rosette which has double or semi-double flowers in a range of colours. It does not flower as freely as the singles but goes on just as long and makes a fine pot plant. But if you buy any impatiens do not forget for good germination the seed needs 70 degrees F and full light.

True avoidance play from the table

BRIDGE

E. P. C. COTTER

MY FIRST HAND today turned up in a pairs event, and this is what happened at one table:

N
♠ A 10 6 3
♡ 5
♢ A J 10 8 2
♣ K Q 5

W
♠ 8 7 5
♡ J 10 9 7 4 3
♢ 6 5 3
♣ 3

E
♠ Q J 9
♡ K 8 6 2
♢ K 7
♣ A 10 9 6

S
♠ K 4 2
♡ A Q
♢ Q 9 4
♣ J 8 7 4 2

With North-South vulnerable, East dealt and opened the bidding with one no trump, *showing* 12-14 points. South passed, and West made a weakness take-out of two hearts. This was doubled by North, East bid *three* hearts to make it more difficult for his left hand opponent, but South bid a confident three no trumps, and all passed.

West led the heart Knave, East dropped the eight, and the Queen won. The declarer led *the two of clubs to the Queen,* East took and returned the heart two, dislodging the Ace. South continued with a club to the King, but West showed out, and there was now no chance of making the contract.

It is true that, if clubs had *broken 3—2, the declarer would* have got home by his line of play, but there was no need to take any risk. Avoidance play secures the contract. At the second trick South should play a low diamond to the Ace, and return the five of clubs. This leaves East helpless. If he plays the Ace, he sets up four tricks in the suit for the declarer, and the contract is made with four clubs, one diamond, and two tricks in each major suit. If East plays low, South wins in hand with the Knave, and with one club *trick* in the bag switches back to diamonds and again has nine tricks.

This is true Avoidance—the declarer cannot prevent East from obtaining the lead with the club Ace, but by leading the suit from the table, he can make him pay too high a price for the privilege.

The second hand comes from rubber bridge:

N
♠ A K 5
♡ A 9 4
♢ J 4
♣ K Q 10 7 3

W
♠ 10
♡ Q 10 6
♢ K 10 9 8 7 3
♣ 9 5 2

E
♠ Q 9 8 7 3 2
♡ J 8 3 2
♢ 5
♣ 8 6

S
♠ J 6 4
♡ K 7 5
♢ A Q 6 2
♣ A J 4

South dealt at game to North-South and bid one no trump, North tried a Stayman two clubs, and after the two diamond response jumped to *six* no trumps. *I* was sitting West, and Jack Marx, bridge correspondent of The Illustrated London News, was at the helm.

My first problem was what to lead, and I chose the ten of spades. Dummy's King was played, and my partner showed approval by dropping the nine. After cashing the King and Knave of clubs, the declarer led the diamond two, I played the eight, and dummy's Knave won. The diamond four was returned from the table, and South played his six, allowing me to win with the seven.

At this point I had another crucial lead. If I make the "safe" return of the club, the declarer will get home by a double squeeze. It was essential to remove his entry—the King of hearts, so I led my heart Queen. This effectively destroyed the squeeze *position,* and the contract was defeated by one trick. How thankful I was that the declarer had only 15 points—the heart Knave would have sealed our fate.

LEGAL NOTICES

IN THE MATTER OF
RAYLOOD LIMITED
(formerly CREASEY FLOOD LTD)
AND IN THE MATTER OF
THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, which is being voluntarily wound up, are required, on or before the 1st day of May, 1984, to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned Patrick Granville White of Booth, White & Co., 1 Wardrobe Place, Carter Lane, London EC4V 5AJ Joint Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 13th day of December, 1983.

P. GRANVILLE WHITE,
C. R. ASHE F.C.A.,
Joint Liquidators.

IN THE MATTER OF
COASTAL STATES EUROPE LIMITED
AND IN THE MATTER OF
THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the creditors of the above-named Company, which is being voluntarily wound up, are required, on or before the 31st day of January, 1984, to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned John Gordon Abbott of 34 Grosvenor Street, London, W1 the Liquidator of the said Company, and, if so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution made before such debts are proved.

Dated this 19th day of December 1983.

JOHN GORDON ABBOTT,
Liquidator.

N.B.—This notice is purely formal. All known creditors have been, or will be, paid in full.

by Lucia van der Po

COOKERY

You, too, can cook

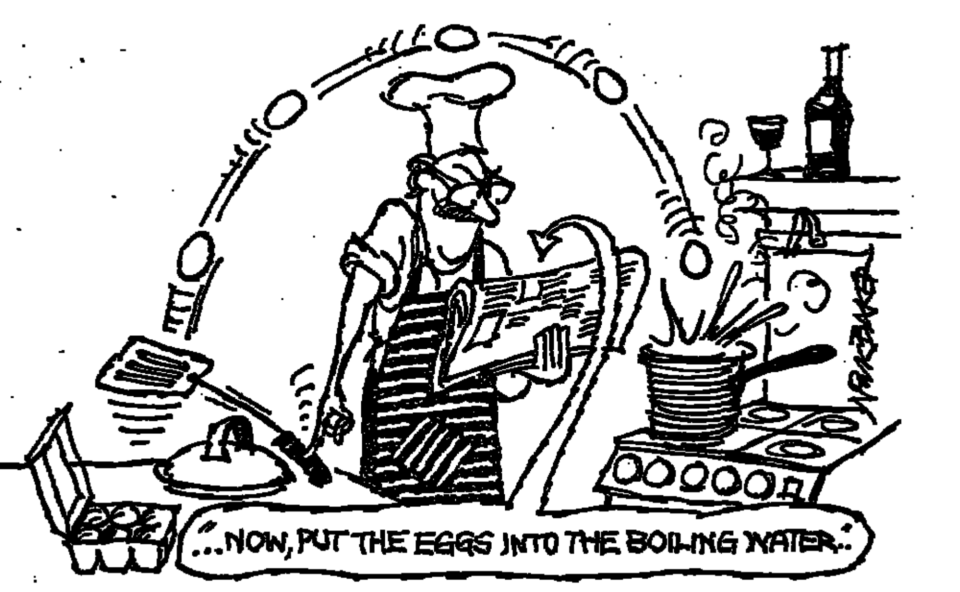
BY JULIE HAMILTON

I HAVE come to feel that anybody who cannot cook at all should change his or her ways immediately. For one person in a household to have to do all the cooking, day in and day out, with never a respite unless it be when eating up the leftovers, is more than most of us can take and still retain our sense of humour.

I have therefore decided to address this article to anybody who lives in a household where they are cooked for by somebody else almost all the time. With this page and next week's in his (her) hand he will be able to give his nearest and dearest a complete day, or even weekend, off from any culinary responsibility.

Today I give the first of two menus, both of which are quite straightforward and shouldn't pose any problems even for those who have never cooked anything at all before (and, after all, we all of us had to start somewhere, some time).

This week's menu is for a dinner for two: *oeufs en cocotte* anchovy, followed by veal escalopes cooked in butter and lemon and served with Hungarian-style cabbage and jacket potatoes, followed by avocado with lemon, and finishing simply with cheese.



I will guide you through the intricacies of shopping (it was when my son decided to cook for my mother and husband and went shopping for "seasoned flour" that it was brought home to me that for novice cooks there is a problem lurking behind even the simplest instructions) and then through all the stages of cooking and serving.

Next week's menu will be Sunday lunch for at least four but that could easily be stretched to six.

First . . . the shopping list

(I assume the kitchen is well-stocked with the basics found in most kitchens.) 1 can anchovy fillets; 1 small carton of sour cream; 2 large fresh eggs; 2 veal escalopes to be found in most good supermarkets and butchers—they should be quite thin and weigh at least 4 oz each if possible, there should be no fat and the colour should be a fulsome pink, not pale and insipid looking; ½ lb unsalted butter; 1 very small or ½ a white cabbage; 1 jar dill weed to be found on the herb shelves of any food shop; 1 pot of traditional French mustard; plain flour (check in the larder first because you probably have some); 1 pkt chicken stock cubes (you will need 2¼ cubes); 2 good sized potatoes; 2 avocados that are really ripe (you can tell by touching to see if they are slightly soft, especially at the ends, but avocados are usually sold unripe and you are meant to ripen them at home by keeping them in a warm place for a day or two. Nevertheless, careful searching can usually produce a couple ready to eat);

1 root of fresh ginger; 4 juicy lemons, not necessarily the largest but they should be softish and a good yellow; if in doubt buy more than you need. It is often a mistake to buy cheap ones when expensive ones are also available because they frequently prove to be dry; cheese of your choice, 4 oz should be ample; water biscuits to go with the cheese.

Timing plays an important part in cooking a complete meal; by that I mean that there is little point in having beautiful crisp roast potatoes ready half an hour before the meat is cooked and likewise green vegetables of any kind are not improved by being kept hot for ages.

Always make sure you have thoroughly heated the dinner plates if you are serving a hot meal. Also heat all serving dishes. Any cold meat meal does not need hot plates even though the accompying vegetables are hot.

Dinner for two

For the *oeufs en cocotte* anchovy:

2 large eggs; 4 anchovy fillets; 2 tablespoons cream; freshly ground black pepper.

For the veal escalopes with lemon and butter:

2 4oz veal escalopes; 1 dessertspoon plain flour; 2 oz butter; 1½ tablespoons freshly squeezed lemon juice; salt and pepper.

For the Hungarian style cabbage:

Approx ¾ lb white cabbage; 1 oz butter; 1 level tablespoon plain flour; 1 small teaspoon traditional mild French mustard; 1 tablespoon lemon juice; ½ a chicken stock cube; 1 small teaspoon sugar; 1 tablespoon dill weed; salt and pepper to taste.

For the jacket potatoes:

2 large potatoes; a few drops of oil; salt.

For the avocado and lemon:

2 small ripe avocados; 2 dessertspoons caster sugar; 4 tablespoons lemon juice, a sprinkling of ginger; a dash or two of angostura bitters.

It should not take much longer than one hour to produce this meal. The longest cooking time required is for the jacket potatoes, so begin by scrubbing them. Remove any nasty looking blemishes but do not peel them! Dry them thoroughly, pierce with a fork once to prevent bursting in the oven, rub a few drops of oil into the skins with your hands, then rub with salt and place them in the top or middle of a hot oven (gas mark 8, 450F), or if using an Aga in the top roasting oven. The potatoes should be ready in approximately one hour, but can rest quietly for longer.

The next thing to do is to prepare the cabbage because it will keep warm quite well without spoiling. (White cabbage—and this method—is an exception to the general rule about green vegetables mentioned above.)

Shred the cabbage by slicing it very thinly so that all the strands are separated. Sprinkle it with a teaspoon of salt and set aside while you make the sauce in which it is going to be cooked. In a medium-sized saucepan melt the butter over a medium heat, then stir in the flour and mustard, blending well together: do not worry if it appears lumpy at this stage. Dissolve the stock cube in six fluid ounces of very hot water, pull the pan off the heat and slowly pour the stock into the flour and butter mixture (a *roux*), stirring all the time. Still stirring, return the pan to the heat, add the lemon and keep mixing until it bubbles and is quite smooth.

Pour boiling water all over the shredded and salted cabbage and drain it at once (to blanche it), then add it to the sauce and stir really well to coat it thoroughly with the sauce, continue to stir gently until it bubbles. Let it cook like that over a low heat for about ten minutes, stirring frequently, then add the sugar and dill weed, sample and season with salt and pepper to taste. Pull off the heat and cover until just before you need it. Then you can safely re-heat it, stirring all the time.

Prepare the *oeufs en cocotte* as follows but do not cook them until the last minute. You need two small ovenproof dishes (ramekins which look like little soufflea dishes). Rub butter all round the inside of each ramekin and carefully break an egg into each one without breaking the yolk. Place two anchovy fillets on top of each egg to form a cross. Pour the cream on top of them. Set aside until you have prepared the rest of the meal, then place in the already hot oven for eight minutes. Serve a piece of toast with them.

The penultimate preparation should be the avocados and lemon. Squeeze enough lemon to make four tablespoons and mix in the angostura, sugar and a generous pinch of finely grated fresh ginger. Peel the avocados, slice them in half and prise out the stones. Then cut them into uniform cubes and place in a bowl. Pour the lemon juice mixture over at once and very gently and thoroughly mix to coat every cube of avocado with the lemon—otherwise it will discolour. Spoon it into wine glasses and place in the fridge until needed.

Finally, cook the veal escalopes. Coat each piece of meat in the flour to which you have added salt and pepper. Heat a serving dish. Melt the butter in a large, heavy frying pan and quickly fry the meat on both sides over a fierce heat until it is golden all over. Keep turning the escalopes, then add the lemon juice and reduce the heat to very low. Continue cooking for about three or four minutes, then place in the hot serving dish and pour over the juices in the frying pan. Keep warm. As this operation only takes a few minutes you should have laid the table, put the eggs in the oven, opened the wine and made the toast before you actually put the veal in the frying pan. Watch the time carefully because oeufs en cocotte should not be over-cooked — keep to exactly eight minutes and serve immediately.

Re-heat the cabbage as soon as you have finished cooking the veal and keep it hot over a very low heat while you enjoy your first course. Serve the potatoes straight from the oven with plenty of butter. Bon appetit!

UNDERCOVER STORY

SO FAR we seem to have had one of the mildest of winters but reading of the plunging temperatures in the United States and the havoc they have brought in their wake reminds me that the worst of our winter is yet to come. Anybody who has not yet discovered thermal underwear, long essential for mountaineers, skiers and other outdoor enthusiasts, should be prepared to give them a try this winter.

Once the image of thermal underwear seem to be irrevocably linked to sporting activities or the elderly and the ill but nowadays the designs have been smartened up and embellished with a few frills and bows so that even the most fashion-conscious teenager could wear them without blushing.

Damart is, of course, the oldest and most famous name in the esoteric world of thermal underwear but once upon a time the range could only be bought through its own shops or from its own mail order catalogue.

Now, however, Damart fans will be able to buy any of its famous ranges at large branches of Boots up and down the country—some 48 stores in all. There are three different degrees of warmth—ranging from just plain "thermal" (suggested for winter sports) through the middle range, "thermal plus" (suggested for everyday) and going on to "double force" (to be worn in extreme cold or by old people who find it difficult to stay warm in winter).

Besides the different weights there ar also many different designs from the very plain and sturdy through to relatively pre lightweight fashionable numbers. All Dam wear is made from 85 per cent chlorofibre ar 15 per cent acrylic and prices are very reasonable—for instance, a long-sleeve V-neck women's vest is £5.40, while the matching number for men is £6.60 in all sizes except th extra large which is £7.80.

As I have pointed out before the term "thermal" doesn't of itself mean a great de (just "of heat") but nowadays most therm underwear is made from either chlorofibre or Courtauld's Viloft. Photographed above is a selection of the thermal range produced by Chilprufe using a combination of Viloft a polyester.

The two girls are wearing sleeveless spencer tops at about £5.50 each, while the briefs are £4. The man in the centre is wearing a long-sleeved vest that sells at abo £9 while the long johns are about £11.50. Both come in small, medium, large or extra large sizes. Find them in most large department stores and sports shops.

Several chain-stores (including Marks ar Spencer and British Home Stores) do their own brands of thermal underwear and, as always, they are extremely keenly price If you want to preserve the clothes once you've bought them it is vital to make sure you keep the washing instructions (pin them up above the washing-machine) and follow them to the letter.

SALES TALK

MY women friends seem to be divided into two camps—those who wouldn't miss the sales for anything and those who couldn't be persuaded to go under any circumstances whatever. I seem to belong somewhere in between. Not ever being interested in the "star bargains" like the left-over minks or the three-piece suites, nothing would ever make me turn up in the first few days when the pushing and the scrummaging could never compensate for any bargain but I frequently put in an appearance when things have calmed down to search for replacements for the linen or crockery cupboards, for a special pair of shoes or cashmere sweater.

As we now seem to be at the height of sales fever it seems a good moment to remind readers that their rights when buying goods in the sales are just the same as at any other time. That is, if the kettle you bought at a reduced price doesn't work, there is no need to write it off to experience and buy another one—take it back. All goods, at any time, must be of merchantable quality and this applies to sales goods as much as to fully-priced ones.

If the shop offers you a credit note instead of a cash refund you are within your rights if you insist on cash.

On the other hand, if a fridge is much reduced because of a scratch on the surface and it is pointed out to you at the time you cannot later change your mind and ask for a refund.

If you are sold something that depends upon expert knowledge (for instance, the suitability of a fabric for upholstery) and you later find you have been misinformed or badly advised you are entitled to a refund.

Many goods at sales time are labelled "substandard," "damaged," "shop soiled" or "seconds"—if you are thinking of buying, always check with an assistant to find out exactly what is wrong with them first. If not so labelled you are entitled to assume the goods are new and perfect.

It is worth noting that many stores nowadays offer free credit for varying periods and often the amount offered is increased at sales time. Liberty of Regent Street, for instance, is offering free credit for 12 months on single purchases costing over £200 and it will open an account for you giving instant credit of £250 on the same terms as those offered by Barclaycard or Access.

In my experience the best things to buy in sales (apart from obvious things like replacement china, bedlinen, white goods, shoes and small electrical gadgets) are classics like cashmere sweaters, Burberry raincoats, Aquascutum coats, silk blouses and the like.

Finally, for the many readers who feel it worth while making the trip to London specially for the sales, here is a list of just some of the stores holding their sales either now or in the next couple of weeks.

★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

Harrods, Knightsbridge, London SW3 (starts January 6) seems to be a regular event for the sturdier of bargain hunters. Many customers seem to make the journey specially for perennial favourites — things like the special soap, the writing paper, the china and glass reductions—but what is perhaps less well-known is that there are always reductions in the food department as well. For instance a home-freezer pack of poultry is reduced from £32 to £28—not a great saving but if you need the pack anyway you might as well buy it at sales time. For your £28 you will get two large chickens (approx. size 6 lbs each), two ducks (approx. size 5½ lbs each), four chicken legs, four chicken breasts and two small chickens (approx. size 4 lbs).

A sliced side of smoked salmon is reduced from £9.50 per pound to £6.80 per pound, while you may buy 12 legs of lamb at £1.36 per pound (instead of £1.60 per pound) or six shoulders at 80p per pound (instead of £1.10) and rump steak at £2.98 per pound instead of £3.40.

If you are needing a perm now is your chance—during the sale period it will cost you £19.50 instead of £33.50, while a collagen facial will set you back £9.95 instead of £14.45.

Look out, too, for video tapes—all will be reduced by half.

Harvey Nichols, Knightsbridge, London SW1. The sale starts on Thursday January 5 but the store offers account customers a preview day (on the 4th) when they may buy at prices reduced by a further 10 per cent discount — account customers are also entitled to this 10 per cent discount for the next three days (January 5, 6 and 7). It is the best place, in my view, to buy designer clothes at greatly reduced prices—Jasper Conran coats will be half price, as will Sonia Rykiel jackets and designs by Byblos, Anne Klein and Matsuda. Sheridan Barnett fans should rush for his coats (from £220 down to £146).

Liberty of Regent Street, London W1 (already on) not only offers 12 months interest-free credit on single items costing more than £200 but has a credit scheme lending £250 (on the same terms as Access) instantly as well. The antique and secondhand furniture department looks like a good place to scour — pictures and furniture are much reduced (for instance a second-hand satinwood writing table is down from £845 to £422).

Heal's, 196 Tottenham Court Road, London W1 (sale started on Thursday and goes on until January 28) seems like a specially good place to visit for those with furniture in mind. As most of the world knows by now the store was recently taken over by Habitat/Mothercare and the new look make-over is due to appear in the spring—in the meantime there is much clearing-out to be done.

I & I, Italian Design & International Contractors at 47, Eastcastle Street, London, W1 (starts January 3 and goes on until January 10) is the place for afficionados of modern Italian design. A bright, airy showroom full of some of Italy's most famous modern pieces, this is a marvellous opportunity to buy things like brightly-coloured injection moulded tables (72 cm square) at £77.62 instead of £155.25.

Simpson, Piccadilly, London W1 (started on Tuesday) offers many reductions on its famous Daks clothing—for women there are suits reduced from £199 to £129, blouses at £19 from £39 whilst for men there are Daks suits down to £99 from £125 and trousers selling at £37.50 down from £46. As most skiers haven't yet set off for the snow now is their chance to buy the latest ski-wear at reduced prices—Daniel Hechter salopettes at £45 (were £65) and Bogner anoraks at £75 (from £110).

Selfridges, Oxford Street, London W1 (started on Wednesday, will be open on the New Year Bank Holiday, January 2). The linen department seems to have some especially good buys as usual—embroidered sheets from Switzerland are reduced to £19.95 each (from £44.95) while Descamps quilt covers are down to £28.50 for the double size (from £38) and Bassetti printed sheets are reduced by half.

Jaeger shops throughout the country have already started their sales and this is the place to replenish your sweater wardrobe, buy fine wool co-ordinates at half-price or splash out on a coat you've been eyeing all season.

Aquascutum, 100 Regent Street, London W1. Known for the high-quality of its men's and women's wear the prices often seem out of reach—now is your chance to buy something of real quality at a price, which though still not cheap, represents excellent value for money. For instance there are pure camelhair coats at £199.50 (reduced from £325) and pure cashmere ones at £299.50 (reduced from £495). Classic raincoats are down to £89.50 (from £159), while cashmere sweaters can be bought at £39.50 (down from £75). For men there are classic style trenchcoats at £115 (down from £147), pure cashmere coats at £395 (down from £545) and pure cotton shirts down to £18.50 from £26.50. The sale started on Tuesday.

Clement Crisp reviews a year of the ballet

Rewards and fairies in a dull 1983

It was the year of the Priestley Report which stressed the need for more funding for Covent Garden's ballet and opera companies; of the Arts Council's document making the case for a "dance house" in London; of Peter Wright pointing an accusing finger at the fabric of Sadler's Wells Theatre and telling us how structural changes could make it a suitable home for his company instead of the worst stage they appear on in Britain. Housing dance, paying for dance were major concerns; but so was the enfeebled nature of much of the choreography on view, the stale repertory and under-powered dancing that clamoured for money and a roof. Insufficient rewards and too many fairies was the problem.

Grand things there were: the New York City Ballet's two-week season at Covent Garden, a blaze of choreographic and danced splendour, with *Mozartiana* a last gift from Balanchine, whose death in April inevitably darkened the year. Twyla Tharp and her dancers were spectacularly good at the Wells; Natalia Makarova and Anthony Dowell galvanised the Royal Ballet and the Covent Garden public in *Manon* and *A Month in the Country*, reminding us that great dancing is a matter of passionate absorption in a role.

Rudolf Nureyev assumed direction of the Paris Opéra Ballet and staged a grandiloquent *Raymonda* for his company, grandly danced. In his annual season at the Coliseum he brought the Boston Ballet back to London in his own lively *Don Quixote* and their own risible *Swan Lake*; he was later joined by the Ballet Théâtre Français for an enjoyable Diaghilev tribute, and a second programme of gimcrack choreographies. The BTF dancers somehow kept their sanity when required to perform Hans van Manen's flat-footed *Songs without words*, Jiri Kylian's excruciatingly jokey *Symphony in D* (a scourge seen in four different manifestations during the summer), Béjart's *Songs of a Wayfarer* in which Nureyev and the young Patrick Armand were admirable, and Birgit Cullberg's *Miss Julie*, which for 30 years has had my vote as the Most Awful Ballet.

It was a year of dull, perverse choreography. How else to qualify the items proposed by the Gulbenkian Ballet; by Laura Dean and her minimalist troupe; by the Rennes company; by the Cramèr Ballet (is Swedish humour or Swedish *angst* more lowering to the spirits?); by the Houston Ballet, *which unloaded some desperate* works by Ben Stevenson and chucked in the Kylian *Symphony in D* for bad measure; by Lindsay Kemp; by the Joyce Trisler Danscompany (sic); by Sankai Juku (hermetic but fascinating).

London Festival Ballet had an uneasy time. A season in Paris was well received, but against the positive gains of Cranko's *Onegin* and Haydn's *Four Seasons*, both new to the repertory, must be set the dubious revival of Ben Stevenson's flaccid *Cinderella* and the acquisition of his maundering *Four Last Songs*. Declining attendance figures, noted in the company's 1982-83 report, were less than surprising in view of unexciting casting and repertory.

Northern Ballet Theatre put on *Alice in Wonderland*. That the staging seemed to me to aim no higher than the taste of an unsophisticated ten year old girl matters not one whit, for NBT can justify its record of such dead choreographic ducks (*Madam Butterfly*, *Cinderella* are further examples of a "never mind the choreography; feel the title!" mentality) with sound attendance figures and local popularity. What next? *The Sound of Music? Crossroads?*

Ballet Rambert gained a first Cunningham work — *Fielding Sixes* — and a resounding *Chicago Brass* from Richard Alston, while Christopher Bruce produced a pious *Concertino* in *homage to Marie Rambert*. The company played Jekyll and Hyde at the Edinburgh Festival; the joys of Bridget Riley's *designs for Colour Moves to* be set against the miscalculation of *Murderer Hope of Women*, with Kokoschka's expressionistic sex-drama mouthed by the dancers, who had problems enough with the Tetley choreography.

London Contemporary Dance Theatre mounted five new works by company members, danced splendidly, and enjoyed a success in New York—a further seal on Robert Cohan's achievement. Second Stride showed some underwhelming new pieces; Dance Umbrella, with what I feel is too great an *impartiality, sheltered the good* (Julyen Hamilton, vivid in dance and imagery) and the abysmal. (Minimalism often means minimal ability.) Extemporary Dance kept its flag flying, with the gifted, abrasive Lloyd Newson a choreographer and dancer of constant interest.

The most heartening work was done by Sadler's Wells Royal Ballet. The company began the year at the Wells, tired from a lengthy Far Eastern tour, and soon had 14 of its 52 dancers indisposed. As I wrote last year, SWRB needs larger forces, and it is sad that its management has not made any increase in its numbers. Standards of performance have been uniformly impressive, with welcome new interpretations from such young dancers as Michael O'Hare (as Frantz, Colas, the Painter in *Two Pigeons*), Sandra Madgwick and Iain Webb. David Bintley produced a dazzling *Choros* (dazzlingly designed by Terry Bartlett) to show off the company's strength, with Miss Madgwick, Michael Batchelor and Roland Price especially *fine*.

Other new works were Jonathan Burrows' folk-inspired, if slightly inconclusive *Winter Play* and Michael Corder's musically responsive *St Anthony Variations*. SWRB also undertook a season at Covent Garden, and made a trans-Canada tour to great acclaim.

With the Royal Ballet those reservations I voiced last year at this time—about unadventurous casting and repertory, curious programme building—are still cause for comment. A first visit to China was a notable success, but the routine of staple classics and the Ashton repertory often lacked clarity, *stylistic assurance*. That there are rich reserves of talent in the company is not in any doubt. The Opera House annual report for 1982-83 could speak of "signs of vindication" of the policy of developing young dancers, but it is a basic task of any national company and school to discern talent and nurture it. The Royal Ballet's young hopefuls too often continue as hopefuls into their mid-twenties—when hopes should have been realised or abandoned—and some behave like hopefuls into their thirties. Ballet's *vice Anglais* is an obsession with demure arrested-developers. To combat it there is need for high-powered and lengthy coaching which will, early on, prepare aspirants for the greatest challenges of their art.

A comparison with their contemporaries in Leningrad and Moscow, Paris or New York—and during the year I saw magnificent young artists from each of these cities—shows how *vast are the* differences and results in developing talent in Britain.

New works in the Covent Garden repertory were almost brutally contrasted. MacMillan's *Valley of Shadows* dared to seek a dance language to explore the most horrific aspects of human suffering; Ashton's *Varii Capricci* was a *soufflé à l'Ambre Solaire* for Sibley and Dowell. David Bintley's *Consort Lessons* was brilliant in classic invention; Richard Alston's *Midsummer* offered self-indulgent lyricism.

Memorable performances came from Antoinette Sibley as a *very grand ballerina in Raymonda* and as a heart-stoppingly true Cinderella, and from Anthony Dowell as a classically *magnificent* Solor and a perfect des Grieux. Derek Deane made a most sensitive debut as Rudolf in *Mayerling* and continued to develop as a choreographer. The Royal Ballet School looked less than its best in its annual display, offering *Paquita*, in which the young were kittens pretending to be tigers, an inexplicable *White Goddess* by Michael Corder and, yet again, Kylian's *Symphony in D*, which *was perhaps* intended as aversion therapy.

I reported from Ottawa and New York, where City Ballet and the School of American Ballet were superb, but American Ballet Theatre, unfortunately, was not; and where Paul Taylor had newly staged a haunting *Sunset* and an hilarious economy *Snow White* with five dwarves and the Wicked Queen doubling as the Prince. The Bolshoy Ballet was in Vienna with *Swan Lake* illuminated by Bessmertnova, *and Romeo and Juliet* made glorious by Vyacheslav Gordeyev. What looked like a Bolshoy secession group was in Paris, led by Vladimir Vasiliev, with well-meaning but innocent choreography and some dashing young dancers. The Opéra also *unveiled two evenings of what* they thought of as "modern choreography," the best item being Andy de Groat's truly modern and luminous *Nouvelle Lune* for Wilfride Piollet, Jean Guizerix and the pianist Georges Pludermacher.

B. A. Young concludes his two part review of the year's radio

Anniversaries and arguments

Of course the consciously important plays settle on Radio 3. They gave us Handke's *They Are Dying Out*, and *A Winter's Tale*, and John Osborne's *Luther*, for example, all of them excellently directed and well cast. But Radio 3 doesn't scorn a laugh: we had Graham Greene's *Yes and No* (not as funny as you might hope) and a repeat of Tom Stoppard's *The Dog It was that Died*—two repeats, if I remember rightly, and why not. *Luther*, by the way, came from the new Maida Vale studio, which all the directors love so much; ask them for details, they tell you it's wonderfully convenient, and you don't hear the Tube trains under the floor. Mainly though, I listen to Radio 3 for music, which I have sworn not to review until I have passed my LRAM.

Music gave us the two main anniversaries of the year—Arnold Bax and Lord Berners. There were also minor anniversaries—the 60th of the Radio Times, the tenth of the Independent Broadcasting Association—but centenaries are the thing. Despite my oath, I must *say that Berner's Wedding Bouquet*, which is almost a play, was bliss.

Before I leave the drama, a word for the noble efforts of Capital Magazine stories again, of course, but often with an individual quality that stems from an attempt to write about the kind of people likely to be listening. Last year *The Only One South of the Thames* was about gay bars, a subject very unlikely to appear on Radio 4, though I suspect Radio 1 would hardly even notice it. Among this year's offerings from Capital, *there was One Nine for a Lady Breaker*, about CB fans, with a young black hero who hardly mentioned that he was black. Capital also gave us *Tales of a City*, anecdotes about the famous people who have lived in London.

Paul Eddington and Nigel Hawthorne in 'Yes Minister.'

I confess I don't listen much to ILR stations, or to BBC local stations if it comes to that. During March, Radio London had a music festival, and I can write about that although the only tape I collected (a gift from the composer) proved to have nothing on it. A handsome venture, anyway. I hear my local station occasionally for local information: I caught an interesting phone-in one day about the Forest of Dean. *Local phone-ins* are better. And I was sent an interesting tape from BRMB in Birmingham about a wartime explosion in Staffordshire.

What of the more serious aspects of broadcasting? The general election, for instance? *It kicked off* admirably on the air, though after a while I began to think there was no one involved but the party leaders, *who were being interviewed* by someone or other 168 hours a week, with particular efficiency by Sir Robin Day who (when he's on form) can always manage to get his interviewee to answer the question he or she has been asked, and not pass it off with a party slogan. As always, I stayed up into the small hours to hear the results coming through — the most exciting programme there ever is.

Radio 1 had an election phone-in, with a strong leaning towards work and education. The following week Radio 4 gave us a programme called *The Virgin Voters*, about the voters who have qualified since the last election; I don't think there were a lot of those on the *Radio 1 Front Line*, where questions ran on the "What can I do when I leave school?" line.

Radio 1 has more interesting programmes than you might think. There was a fascinating debate in February on that old favourite: "This House will not fight for Queen and country." Voting was by telephone; the proposer, Tariq Ali, got 5,943 votes; the opposer, Douglas Hogg, got 4,221. They reckon ill who leave me out, the Minister for Defence might have quoted from Emerson.

Of miscellaneous features, I remember with disappointment the debate on Radio 4 between Professor E. P. Thompson and Edward Luttwak, who said nothing they hadn't said, or other people hadn't said, before. There was a fascinating series on Radio 3, *Soviet Life through Official Literature*, and a more immediate political series on Radio 4, Hugo Young's *But Chancellor*—which reminds me how well *Yes Minister* has transferred from television to radio. Radio 3 and Radio 4 both had series about India running at the same time, *A Cacophony of Cultures (3)* and *Kipling's India (4)*, both of much interest in their different ways. Radio 4 also gave us a reminiscent piece *about* the Bevin Boys, which wasn't half as indignant as it ought to have been.

John Sessions at Riverside

You can spend Christmas with John Sessions this New Year weekend if you hurry to the Riverside Studios. It is an interesting experience, not one you could wholeheartedly recommend but one you would *be glad not to have missed*.

John Sessions presents a one-man show, a two-hour monologue, plus interval, in which his imagination ranges over the shared cultural obsessions of an educated middle-class English-man (*or in this case* Scotsman). So Stuart portraiture; life in the Brontë home ("The Three Degrees of Regency England"); the voyages of Jason; and quotes from *Othello* and *King Lear* splatter the rendition.

The problem with Sessions is that he is very good at the instant impression, the perceptive one-liner, but he makes a virtue of the vice of leaving every story in mid-air when his imagination runs out of steam. So we follow the Ancient Greeks *as they journey to* Britain to reclaim Retsina, a contemporary Greek girl picked up by holidaying Glaswegians, as far as a Yorkshire pub, and then another stream of conscious wit takes flight.

What makes Sessions worthwhile is his great acting ability. He can encapsulate Anthony Andrews and Jeremy Irons in Brideshead in a five second cameo; he does a good McEnroe and an excellent Burton and O'Toole as a couple of drunks discovered in a gutter. But a snatch of Alec McCowen doing his one-man recitation of Bradshaw or conceiving Lord Melbourne as an Australian and the writer Mike Leigh as a Chinese take away worker, make for choice plums in a duff pudding.

Sessions comes across as a likeable chap and a fine actor. With some pruning, a great deal of direction and a slightly less frenzied delivery he could become the comic personality of 1984.

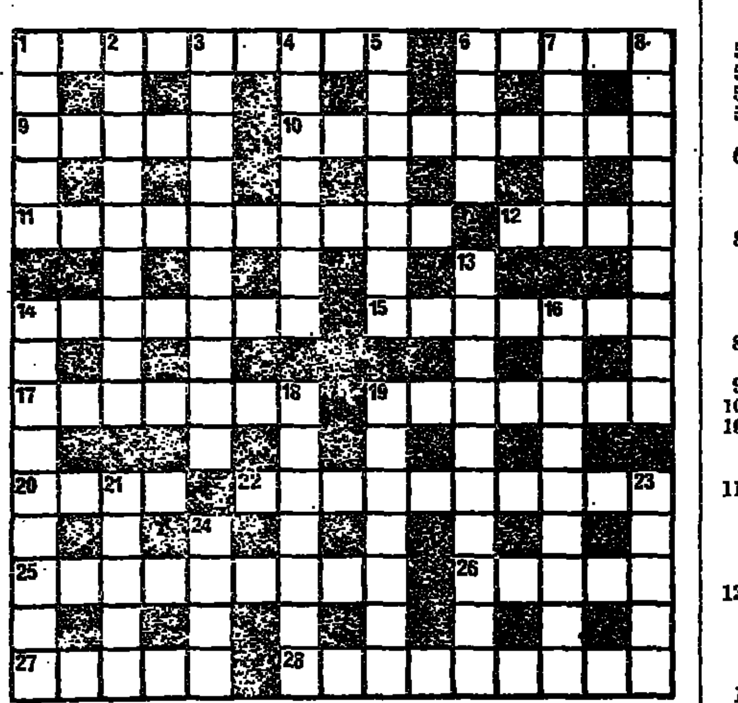
ANTHONY THORNCROFT

F.T. CROSSWORD PUZZLE No. 5,305

A prize of £10 will be given to each of the senders of the first three correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10 Cannon Street, London EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....



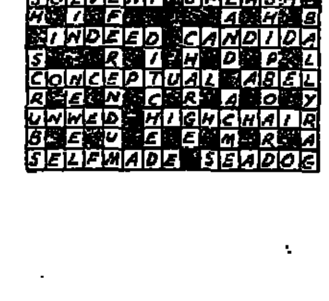
ACROSS

1 Pontoon club (9)
6 *Ciphered*—like some lines in Diplomatic Corps (5)
9 Western portent for about half of us . . . (5)
10 . . . gloomy, yet ordered in finding root-words (9)
11 Arrangement to give prior a rest—a breather (10)
12 Lady singer keen to make a come-back (4)
14 English style of roof-tile (7)
15 Globe in orbit (7)
17 Dreadful weather for Scotsman taking on so in the interior (7)
19 Prominent cutter of zinc is ordered (7)
20 Part to play: 25's part, we hear (4)
22 On motorways, it is seventy times plied, roughly (5-5)
25 A striking bar counter on the platform? (9)
26 Mountain range finally cut *short* (5)
27 Tender for body of railmen (Kent area) (5)
28 Severely criticise English *poet*, lacking in colour? (5-4)

DOWN

1 Violinist acknowledging applause? (5)
2 Owning modern-day astronautical task (9)
3 Translation of sonnet-king in palace (10)
4 Ordinary share of saver, a Geordie? (7)
5 Modern kind of surgery indoors, say (7)
6 Dog food (4)
7 Wear for summer condition in outskirts of Delhi? (5)
8 Edifying sort who needs no mortar-board (3-6)
13 Accommodation for writers can be nice places (6-4)
14 Mr Laurel embraced Maria *roughly. (He was a good* fellow, by the way) (9)
16 R.A. bless 'em all-brought together by him? (9)
18 Nasturtium-heads and pinks arranged for table-setting (7)
19 What keeps one in straight line—one going round Aintree, endlessly (7)
21 Noctural climber of the wall in Paris (5)
23 Cross-match with Australians at end of July (5)
24 Husband's second greeting? (4)

Solution to Puzzle No. 5,304



† Indicates programme in black and white

BBC 1

8.35 am Inch Eye Private Eye.
9.00 Saturday Superstore.
12.12 Weather.
12.15 Grandstand, including 12.45 News: Football Focus (12.20); Racing from *Newbury* (12.55, 1.25, 1.55, 2.25); Boxing (1.10) European Bantamweight Championship; World Darts (2.50, 3.55); International Basketball (3.20, 4.15); Final Score (4.35).
5.05 News; Weatherman.
5.15 See regions.
5.20 Jim'll Fix It.
5.55 The Little and Large Show.
6.30 *Arabian Adventure.* 1979 film, starring Christopher Lee, Peter Cushing, Capucine, Mickey Rooney.
8.05 Best of British Comedy. Frank Muir introduces the first of a two-part celebration of BBC comedy.
8.55 Bergerac. "Come Out Fighting."
9.50 News and Sport; Weather.
10.05 Match of the Day.
10.45 *A Farewell Celebration of* the Good Old Days. Guests include Frankie Vaughan.
11.45 Across the Years. Marian Foster and Eric Robson in Manchester with a traditional celebration of New Year's Eve.
12.10 am At Last—It's 1984! *Michael Barrymore* introduces music and comedy, with Anita Harris, the Shadows.
1.00-1.05 Weather.

REGIONAL VARIATIONS:

Wales: 5.15-5.20 pm Sports News Wales. 1.00 am Weather.

Scotland: 5.15-5.20 pm Scoreboard. 6.30-7.30 Marathon '83. 7.30-8.15 Celebrity Superscot. 8.15-8.55 Dougie Donnelly Revisited. 10.05-10.40 Sportscene. 10.40-11.30 Scotch and Wry. 11.30-12.30 am The New Year Party. 12.30-12.35 Prologue.

Northern Ireland: 4.55-5.05 pm *Ireland Results.* 5.15-5.20 Ireland News. 1.00 am Weather; News Headlines.

England: 5.15-5.20 pm London. Sports: South-West (Plymouth). Spotlight Sport: Other English Regions, Sport/Regional News.

BBC 2

2.10 pm Cary Grant in The Pride and the Passion" (1957 film) continues a *celebration* for his forthcoming 80th birthday, also starring Frank Sinatra, Sophia Loren.
4.20 Machines in Motion. Fifth of six Christmas lectures for Young People: Fluids and Flight.
5.20 World Darts. First round of the Embassy World Professional Championship.
6.25 Die Fledermaus live from the Royal Opera House. *Kiri Te Kanawa* and Hermann Prey in Johann Strauss's operetta. In three acts with intervals at: 7.30 News on Two: Weather. 7.40 Interval. 9.05 Interval.
10.20 Angus McBean demonstrates his skills of photography with the late Sir Ralph Richardson.
10.45 World Darts, highlights.
11.45-1.30 am "Theatre of Blood" (1973 film), starring Vincent Price, Diana Rigg, Ian Hendry, Harry Andrews.

LONDON

9.25 am E.T. and Friends: Magical Movie Visitors.
10.20 *Terrahawks.*
10.50 The Solid Gold Kidnapping (1972 film).
12.05 Cartoon Time.
12.15 World of Sport.
12.20 Darts — The Fosters' Draught British Matchplay Final from Great Yarmouth.
12.45 News.
12.50 Sport: On The Ball.
1.20 It'll Be Alright On The Day introduced by Denis Norden.
1.40 Sport: Ice Hockey. 2.10 Stock Car Racing. 2.30 Pro Skate '83. 3.20 Hot Rod Racing. 3.45 Half-time *Soccer* Round-up. 4.00 Wrestling. 4.45 Results.
5.00 News.
5.05 Pop Goes New Year.
6.05 Game For A Laugh.
7.00 Punchlines.
7.35 3-2-1 . . .Come Into The Garden, Eve.
8.35 Petula.
9.35 News.
9.40 The Way We Were (1973 film) starring Robert Redford, Barbra Streisand.
11.50 The Hogmanay Show.

CHANNEL 4

†1.50 pm The Lady With The Lamp (1951 film) with Anna Neagle in the title role.
†3.45 Sherlock Junior (1926 film). Classic Buster Keaton feature comedy.
4.35 Unforgettable Swingtime. *Pat Phoenix introduces* swingtime classics from the '20s to the '50s.
5.05 Brookside.
6.00 Citizen 2000. A Woman's Place. A look at the effect that mothers going to work has on their babies.
7.00 News Headlines followed by The Other Side Of London. Ron Moody takes us on a vintage bus tour of the capital.
8.00 Party At The Palace. Comedy and music from the Black Theatre Co-operative.
9.00 The Music Machine (1979 film). Light and lively disco musical with Gerry Sundquist and Patti Boulaye.
10.40 David Frost's End of the Year Show.
12.10 am Fox.

S4C (WALES)

12.35 *A Rough Stage.* 1.55 *The Tube.* 3.20 Land of the Lakes. 4.15 Utopia Ltd. 4.45 Yr awr Fawr. 5.45 Buster Keaton. 6.30 The Snowman. 7.00 Newyddion. 7.15 Storom Bywyd. 8.15 The Paul Hogan Show. 9.15 Y Maes Chwarae. 10.15 Party at the Palace. 11.10 *Footsteps.* 11.45 Rhaglen Hywel Gwynfryn.

REGIONS

All IBA Regions as London. except at the following times:

ANGLIA

As London except at the following *times:*
10.15 am The Fraggles are Coming. 10.20 Terrahawks. 10.45 The Fraggles are Coming. 10.50 Film: The Six Million Dollar Man. 12.05 Cartoon Time. 12.30 pm Into the New Year.

BORDER

10.15 am The Fraggles are Coming. 10.20 Terrahawks. 10.45 The Fraggles are Coming. 10.50 The Six Million *Dollar Man. 5.00 News and Border* Weather.

CENTRAL

10.15 am The Fraggles are Coming. 10.45 The Fraggles are Coming.

GRAMPIAN

10.15 am The Fraggles Are Coming. 10.45 The Fraggles Are Coming. 10.50 The Six Million Dollar Man. 11.50 Hogmanay Ceilidh. 12.35 Reflections, *with Kathleen Greer.*

GRANADA

10.15 am The Fraggles Are Coming. 10.45 The Fraggles Are Coming. 10.50 The Six Million Dollar Man. 12.30 Hallelujah Hollywood.

HTV

10.15 am The Fraggles Are Coming. 10.50 The Six Million Dollar Man.

SCOTTISH

10.15 am The Fraggles Are Coming. 10.45 The Fraggles Are Coming. 10.50 The Six Million Dollar Man. 12.35 Late Call.

TSW

9.25 am Dick Tracy. 9.30 Freeze Frame. 10.30 Cartoontime. 10.45 Gus Honeybun's Magic Birthdays. 10.50 Feature Film: The Solid Gold Kidnapping. 12.05 The Fraggles Are Coming. 12.12 TSW Regional News. 11.50 Reflection 83. 12.25 South West Weather and Shipping.

TVS

10.15 am The Fraggles Are Coming. 10.45 The Fraggles Are Coming. 10.50 The Solid Gold Kidnapping. 12.30 am Company.

TYNE TEES

9.25 am Morning Glory. 9.30 E.T. and Friends. 10.15 The Fraggles Are Coming. 10.45 The Fraggles Are Coming. 10.50 Six Million Dollar Man. 12.30 A Message for New Year.

RADIO 1

6.00 am Mark Page. 8.00 Tony Blackburn's Saturday Show. 10.00 Dave Lee Travis. 1.00 am Annie In Conversation (S). 2.00 Paul Gambaccini (S). 4.00 Saturday Live (S). 6.30 In Concert (S). 7.30 Janice Long Show Liverpool Special. 10.00-2.00 am The Classiest New Year's Eve Disco Party (S).

BBC RADIO 2

5.00 am George Ferguson (S). 8.00 David Jacobs (S). 10.00 Sounds Of The 60s (S). 11.00 Album Time (S). 11.02 Sports Desk. 1.00 pm The Huddlines Brief Of The Year. 1.30 Sport on T. 6.00 Country Greats In Concert. 7.00 Jazz Score. 7.30 BBC International Festival of Light Music (S). 9.30 Big Band Special (S). 10.00 Saturday Rendezvous. 11.00 Hogmanay Special. 11.02 Sports Desk. 1.00 am Pete Murray's Late Show. 3.00-5.00 Bill Rennells (S).

BBC RADIO 3

7.55 am Weather. 8.00 News. 8.05 Aubade Pachelbel, Lalo, Dvorak, Grainger (S). 9.00 News. 9.05 Record Review Critics' Choice 1983 (S). 10.15 Stereo Release New Records: Brahms, Beethoven (S). 11.25 Vienna Philharmonic Orchestra, Part 1: Mozart (S). 12.10 Interval Reading. 12.15 Part 2: Honegger, Ravel. 1.00 News. 1.05 Janet Baker and Geoffrey Parsley Song recital (S). 2.00 Georg Philipp Telemann (S). 3.05 Music For Two Pianos: Busoni, *Reger* (S). 3.45 *Images Of The Near* East (S). 5.00 Jazz Record Requests (S). 5.45 Critics' Forum. 6.45 Lennox Berkeley Choral recital (S). 8.00 BBC Symphony Orchestra Part 1: Dvorak, Faure, Bruch (S). 8.45 Macario. Short story. 9.00 Concert Part 2: Sibelius (S). 9.45 The Modern Jazz Quartet (S). 10.40 Some Perilous Collations and a Little Advice. 10.55 The Modern Jazz Quartet Part 2 (S). 11.57 News. 12.00 Big Ben.

BBC RADIO 4

7.00 am News. 7.10 Papers. 7.15 On Your Farm. 7.45 In Perspective. 7.50 It's A Bargain. 7.55 Weather; Travel; Programmes. 8.00 News. 8.10 Papers. 8.15 Sport On 4. 8.48 Breakaway. 9.50 Marriage .Bigamy and Tally-Ho! 10.05 Talking Politics. 10.30 Joy To The World (S). 10.45 First Pick Of The *Year (S). 11.35 From Our Own Correspondent* 12.00 News; Money Box. 12.27 The First Half Century (S). 12.55 Weather; Programmes. 1.00 News. 1.10 The Year Ahead. 1.55 Shipping. 2.00 News. 2.05 *Thirty-Minute* Theatre The Winter Plan. 2.35 Medicine Now. 3.05 Wildlife. 3.30 Light In A Dark Place (S). 4.30 Does He Take Sugar? 5.00 The Sinking Of The Scharnhorst. 5.35 Elvina In Israel. 5.50 Shipping. 5.55 *Weather, Travel, Programmes. 6.00* News, Sports Round-up. 6.25 Desert Island Discs M. M. Kaye (S). 7.05 I Have No Genius But By God I Am A Novelist, portrait of Hugh Walpole. 7.45 Baker's Dozen (S). 8.30 Saturday-Night Theatre The Geneva Run (S). 9.58 Weather. 10.00 News. 10.15 Second Pick Of The Year (S). 11.00 Lighten Our Darkness (S). 1.15 Animal Language. 11.45 Ring Out The Old, Ring In The New. 12.00 am News. 12.10 Weather. 12.15 Shipping.

RADIO LONDON

7.32 am Good Fishing. 8.04 London Today. 9.03 The Way It Was Special. 10.02 All That Jazz. 11.30 Robbie Vincent's Saturday Show. 2.02 pm Breakthrough. 6.00 Eurythmics In Concert. 8.00 Storython. 10.00 As Radio 1. 12.00-5.00 As Radio 2.

WORLD SERVICE

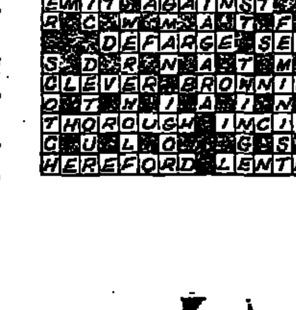
6.00 Newsdesk. 7.00 World News. 7.09 News About Britain. 7.15 Short Story 7.30 A Talent to Amuse. 7.45 8.00 World News 8.09 Reflections. 8.15 Short Takes. 8.30 Jazz Score. 9.00 World News. 9.09 Review of the British Press. 9.15 The World Today 9.30 Financial News. 9.40 Look Ahead. 9.45 People and Politics. 10.15 What's New. 10.30 Just A Minute 11.00 World News. 11.09 News About Britain. 11.15 About Britain. 12.00 Radio Newsreel.

SOLUTION AND WINNERS OF PUZZLE NO. 5,296

Professor D. C. Watt, 20 Mecklenburgh Square, London, WC1 2AD.

Mr F. W. Marston, 33 Cliff Drive, Canford Cliffs, Poole, Dorset.

Mr G. R. M. Beadle, 14 New Dover Road, Canterbury, Kent.



CHESS SOLUTIONS

Solution to Position No. 496

The game went (b) K-N2! 2 K-N5, K-R3; 3 K-N6, K-N4; 4 K-B7, NxP *ch! and the players* agreed a draw. If 5 BxN, KxP and Black's K reaches KR1 with a book draw.

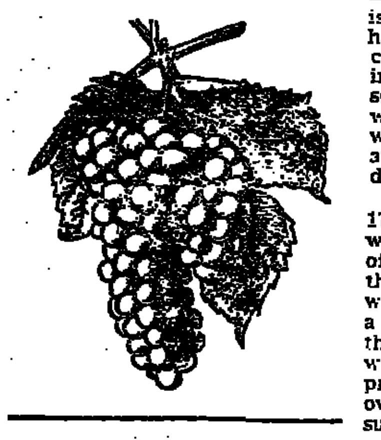
Plan (a) loses to K-K1? 2 K-N5, K-Q1; 3 K-N6, P-R3; 4 P-R4 when either the QP drops or N-B1; 5 BxN ch is a won *pawn ending.*

Solution to Problem No. 496

1 Q-KB6 (threat 2 Q-QN2 and 3 N-B3), K-K7;$ 2 Q-KB1 ch, KxQ; 3 N-N3. If 1 . . . K-B7; 2 Q-N2 ch, KxN; 3 N-B5, or if 1 . . . P-K7; 2 N-K1, KxN; 3 Q-QR1.

Another bumper champagne year

BY EDMUND PENNING-ROWSELL



AS A RESULT of Champagne's two unprecedented record vintages in succession a situation has arisen which can only benefit the consumers; but not yet. Readers of this column may recollect that three of the four vintages from 1978 to 1981 were disastrously deficient in quantity, stocks fell from the necessary average of three years' sales—in order to maintain the quality that keeps champagne ahead of other sparkling wines—and sales had to be cut, as well as protective price rises introduced. Champagne can never be cheap, but in the past two years it has become undeniably expensive.

Then in 1982 a record crop, producing the equivalent of 292m bottles, largely restored the balance of stocks, aided by a fall in sales that year to a total of 146m bottles—40m bottles less than in the peak sales year of 1978. At the end of last July there were 540m bottles in the cellars of the Marne: 3.6 year's sales. A good average crop was looked for last autumn: say up to 200m bottles' worth.

What turned up, however, was one of 300m bottles. Since no abrupt up-turn in sales can be expected in 1984, it looked like a stock at the end of the champagne year next year of well over four years' sales: far more than the merchants could afford to hold. Moreover, while another huge harvest is scarcely likely for 1984, the vineyard area is increasing and at 24,500 ha. will be 500 ha larger at that vintage. Anything more than provision of 200m bottles would create problems for the growers in selling their grapes and for the merchants in financing their purchases.

Fortunately, however, in Epernay, the Comité Interprofessionel which guides the industry, is not only very well organised but includes representatives of both sides able to look beyond to-morrow, and they took three decisions before and immediately after the vintage. First, they cut the price of the grapes, from a top price of FFr 19.03 a kilo in 1982 to FFr 15.53 this last year. With French inflation running at around 10 per cent over the year, this was a substantial cut, although modified by the second decision. Normally 150 kilos of grapes are officially required to produce 100 hl of must. But for the 1983 vintage the necessary quantity of grapes was raised to 160 kilos per 100 hl.

This had several effects. First it raised the grape price by another franc a kilo; to a top price of FFr 16.56. Secondly, the more stringent grape requirement should raise the level of quality; and thirdly, it cut out the second pressing, which is not used by the more important firms but sold off to producers of lower quality champagne. This is in fact the third pressing for the first is known as the *cuvée*, followed by the *première taille* (first cut), which may or may not be used in the final blend.

Yet these measures alone would not have dealt with the flood of wine that filled the champagne cellars. For one thing, the governing Institut National des Appellations Controlées would not have allowed the appellation Champagne to the whole of a crop that extended up to 18,000 kilos per ha (compared with 4,000 to 5,000 in the lean 1980 and 1981 crops). The normal limit is 13,000 kilos per ha, though after the huge 1982 harvest, a further 10 per cent was allowed the appellation, with any surplus destined for distillation or production of vinegar. But the equivalent of 25m bottles had been blocked, with neither the growers being paid for this nor the merchants having to shell out for it until it was eventually allowed to be made into AC Champagne.

This "*blocage*" has been carried further this year, and no less than about 25 per cent of the crop — 4,000 kilos above the permitted yield of 11,200 kilos per ha — have been set aside. Consequently altogether the equal of 100m bottles has been put away for a rainy day — or vintage. Kept in pressurised vats the still wine, which has been fermented by the merchants, will if necessary remain in perfectly good condition for several years. The price at which these wines will be sold will be that of the grape price at the vintage nearest to the date of sale.

Of course, not all the roughly 17,000 growers were satisfied with the steep cut in the price of the grapes, while some of the merchants thought they were paying too much for such a huge harvest, but generally there is satisfaction at the way with which this unforeseen problem has been dealt. Moreover these two huge vintages in succession will have an effect on the new grower-merchant contracts for the provision of grapes to be signed, it is hoped, by the end of March. Under this scheme, initiated in 1959, the growers make an agreement to supply the merchants with their grapes at a fixed proportion of the total output. Over the years this has tended to drop from a top percentage in the '60s of 51 or 52 per cent to 46 per cent today. The drop is accounted for by the great growth of champagne made by the growers themselves or by the co-operatives. This now accounts for half the champagne sold on the French market.

Now, however, increasingly the growers see that with crops clearly exceeding sales, they may find the merchants unable or unwilling to buy all the production they wish to sell, as, in spite of the big crop, the merchants have done this year. So not only should the contract be agreed without difficulty, but with the growers seeking security, the percentage of the contracted crop may increase: perhaps to at least 50 per cent. And this will run for six years, with a minor break in the middle.

How will all this affect us at least, I hope, occasional drinkers of champagne? Well, first the price is likely to remain stable next year, involving a drop in real money terms. It may even go down, because intense competition between the champagne houses is forecast. Although champagne should be matured in bottle for three years, the non-vintage types may legally be sold after one year, and a year ago some 1982 champagne has already been 12 months in bottle. But it must stay for three years if it bears a vintage label.

The *grandes marques* and other reputable firms will not allow the quality of their wines to fall by selling too soon, but a combintion of very large stocks and heavy capital investment will certainly lead to competition-creating conditions." It is believed in Champagne that this may develop next autumn. If so consumers should be wary of attractive-seeming premature offers, even if they bear well-known labels. Nevertheless, it appears that 1983 may well turn out a better year than 1982, and, following 1981, may well be declared a vintage one by many of the houses.

A sprinkling of sparklers

WITH SLIGHT variations the fizz in sparkling wines is produced in two ways: by adding yeasts and ferments to wines in bottle *(méthod champenoise)* or to wine in tank *(cuve close)*. The former is likely to be better and obviously more expensive—not least because minimum periods of bottle-age before sale are imposed—but quality is not guaranteed by the use of this form of production. The grapes used and the situation count as much.

Champagne, grown in northerly latitudes, benefits from the Pinot and Chardonnay varieties, inducing acidity and elegance. Saumur is made from the Loire grape, Chenin, Seyssel from the Roussette of Savoy, Blanquette de Limoux mostly from the southern Mazac, while the Spanish Cava wines are derived from local Catalonian grapes.

The following sparklers represent some of the different types, with some indicative prices, though these obviously vary with some likely outlets. They were not all sampled together, but nothing is more educative than comparing a *cuve close* wine with a good champagne.

Presidente, Brut. Riccadonna's *cuve close* wine is one of Italy's best-sellers. Very pale, distinctly dry, without much bouquet or flavour, and a rather hard finish, it is nevertheless refreshing and calls for little comment as it goes down. £3.80. Arthur Cooper and Roberts of Worthing stores.

Plat Crystal, Brut. A recently developed *cuve close* sparkler, with an agreeable, slightly sweet aroma, clear taste without much depth of flavour or acidity, but an attractive easy-to-drink wine. £3.65, Peter Dominic shops.

Sainsbury's Cava. Pale, with little bouquet but fairly full flavour with a touch of sweetness and better balanced than some more expensive brands. £2.99 from Sainsbury's.

Dopf Alsace. This champagne method wine has a fruity, "grassy" nose with distinct colour, full flavour and rather bland, but with some individuality of style. £4.50-£5.50, Berry Bros, SW1, and Lay & Wheeler, Colchester.

Langlois-Château. This sparkling Saumur has an attractive nose, with slight sweetness on the palate, but round and elegant. £4.80, Avery's of Bristol, Oddbins, Quellyn Roberts, Chester.

Gratien, Meyer. Another Saumur, with nutty aroma and taste, full-flavoured but fairly light. *Both these Saumurs are* good value. £4.49, Peter Dominic shops and Amis du Vin, W12.

Blanc-Foussy. This Touraine rival to Saumur is distinctly dry, with a bigger, bolder flavour, but perhaps less style. £4.29 from Victoria Wine shops.

Seysell. This unusual wine from Savoy lacks much bouquet, but has a crisply dry, fresh flavour that makes a very refreshing drink. £4.35 from Oddbins, Harrods and Harveys of Bristol.

Blanquette de Limoux. Not much aroma, but surprisingly dry and crisp for a wine from near France's Mediterranean coast. An interesting wine of some distinction. £5.50 from Waitrose, Tesco and André Simon shops. This one comes from the co-operative but Avery's have another from a private grower. £4.12.

Finally, just to show the difference, three champagnes of differing styles.

Piper-Heidsieck Brut Sauvage. Perhaps the best of the now somewhat fashionable champagnes without any of the traditional dosage of wine and cane sugar. Completely dry, it must be made exclusively from top quality grapes. £14. Arthur Cooper and Roberts of Worthing stores, Fortnum & Mason.

Laurent-Perrier Grande Siècle. Though without a vintage date on the label, this elegant champagne with fine bouquet is in fact a blend of three special vintages. £17, Corney & Barrow, EC1, Lay & Wheeler, Colchester, Harrods.

Krug Rosé. Just introduced, this light, pale pink champagne, matured six years in bottle, is for those who think fine rosé champagne is too good for night-clubs and soi-disant chorus-girls' slippers. £33.35 from Corney and Barrow, EC2, Baty's of Liverpool and Willoughby of Manchester.

The year of the Olympics

ONLY A madman would forecast that the 1984 Olympic Games will be free of political upheavals. After all, if the Moscow Games took place in 1980 amid world tension and anguish and without U.S. and other athletes whose countries abhorred Soviet intervention in Afghanistan, how can the run-up to the summer games in Los Angeles be any easier?

Indeed, the Soviet machine has already opened its war of nerves, and it will not be long before Ron Pollard of Ladbroke's is quoted odds against their competing.

Controversy began before Los Angeles was awarded the games. Looking over the frontier at Montreal's troubles, the city fathers turned their backs on the project.

So this year's major Olympics are entirely a commercial promotion and the word has always been that they are too commercial. Stadium seats and hotel prices will be the dearest ever.

Another major new ingredient is that the Chinese will compete this time. Even the Chinese Embassy in London is not sure how well they will do and in which of the 20-odd sports.

But we know they have the world record man high-jumper, Zhu Jianhua, that their men gymnasts are superb, and their men basketball players very nifty, and the embassy believes their women volleyball players are in world champion class.

Daley Thompson . . . conqueror

Breathes there a Briton with soul so dead who does not believe that Steve Cram, world 1,500 metres champion, will master the world again? I doubt it.

And surely conquering Daley Thompson will beat the world's decathletes yet again. But the Olympic schedules are tough, and I would suggest that, with a new crop of athletes emerging, it would be foolhardy to expect to see world record holders Seb Coe and Steve Ovett strike gold again. I hope I am wrong.

I am told that Britain has strong hopes of capturing medals in synchronised swimming. Who knows what our four archers will do? Surely our equestrians can pull a medal or two.

But, as more and more Third World countries are packing a hefty punch, our once significant amateur boxers would seem outclased.

I would expect our rowers and yachtsmen to pick up the odd medal, and why should we not score again in the modern pentathlon?

But first, from February 8 to 19 come the Winter Games at Sarajevo, where the incomparable Torvill and Dean must goldenly confirm what must surely be the most universally appreciated athletic poetry of all, their ice dancing supremacy.

While Britain may not be any great shakes internationally in ski-ing, ice hockey biathlon and luge, I am advised that our men might bring home some sort of bobsleigh medal.

Finally, is it not time the British Government stopped acting like Scrooge? The British Olympic Association has set itself a target of £1.5m this time to send more than 500 competitors and officials to Los Angeles and Sarajevo.

That is 50 per cent more than the 1980 figure. Voluntary gifts are untaxed, but do you know the Government pinches 52 per cent Corporation tax from the association's contracted sponsorship and advertising earnings.

There can be few governments in the world who actually charge sports for the honour of representing the country. I only wish I could forecast that this scandal might be ended in 1984. A good subject for a Private Members' Bill.

James French

The year of Middlesex

EARLIER this week Bob Willis and company set forth for Fiji, New Zealand and Pakistan on an unnecessary tour. We have just completed a series against the Kiwis last summer as well as playing a seemingly endless succession of one-day internationals against them both in Australia and New Zealand last winter.

Our visit to Pakistan consists entirely of international matches, which supports my claim that there are in my opinion far too many Tests and one-day games.

England should beat New Zealand without too much trouble but Pakistan could provide problems, especially if Imran Khan is fit, the pitches take spin and the umpiring has not improved.

Next summer the West Indies come to England. This winter they have painfully exposed the weakness of India and illustrated, in real cricket terms, India's victory in the Prudential World Cup meant very little.

The form shown by captain Clive Lloyd has camouflaged obvious deficiencies in the West Indian batting. Unless they discover a couple of good new batsmen this could prove a serious weakness in England, but their fast bowling, and not forgetting the genius of Vivian Richards, is likely to prove too much for England. Our best chance would be to meet them on slow turning pitches.

On the domestic front I fancy Middlesex to win the first Britannic Assurance Championship with the holders, Essex, as their nearest rivals. Kent should have an outstanding season and I shall be surprised if they do not capture one of the limited overs competitions.

In sharp contrast Somerset without Richards, Garner and Botham and Hampshire minus Marshall and Greenidge and Smith are likely to have problems.

Notts with the return of Hadlee should do much better. This once again emphasises that there are too many overseas players on the county circuit.

Trevor Bailey

The year of the French

INTERNATIONAL championship Rugby gets under way on January 21 with Wales playing Scotland at Cardiff and France entertaining Ireland in Paris. So England's first match at Murrayfield will be against the tried and proven Scottish side which, it will be recalled grimly in the Valleys, beat Wales two years ago, in a marvellous game by the substantial margin of 16 points at the national stadium.

The form has been overturned so much these last two seasons, that convincing prognostications are almost impossible. The London Irish competition, in which members have to forecast a home or away win by under or over eight points, produces some bizarre forecasting and freak results.

Steve Cauthen . . . sheer perseverance

It is not only player availability, form and selection that dictates the fortunes of a team but also whether the match is at home or away. The form so far this season would indicate that France and England are the co-favourites but it is to England's disadvantage that they have to travel to Paris in early March before meeting Wales in their final match at Twickenham.

France also have to go to Cardiff, in mid-February. In the last five visits the best they have managed was a draw in 1974. Yet with Wales in some disarray, France have their best chance for years there and so I would nominate them as clear favourites for the championship.

Gloucestershire should beat Somerset in the Thorn-EMI County championship final. In the John Player Cup Bristol, the holders, should take some stopping this season. Among the clubs who will press them will be Leicester, and Orrell and I would also expect Wasps to go to the semi final, at least.

Sadly, I have to discount the chances of both Coventry and Moseley both of whom have been very inconsistent so far this season. As excellent outside bets I would choose Bath and the much revived Blackheath.

Peter Robbins

The year of Stevie

AS THIS year draws to a close jumping and flat racing enthusiasts appear to have plenty to look forward to in 1984 in spite of Sir Ian Trethowan's warning that the Levy Board and racing could soon be facing a cash crisis as a result of the cut in levy rates paid by bookmakers in 1982.

As far as National Hunt aficionados are concerned the chasing ranks give plenty of cause for optimism with their strength in depth, while in Gaye Brief there is a champion hurdler to relish barring misfortune for several years to come.

The start of the Flat campaign is still three months away, but already interest has been flamed by, first, the news that Habibti and Time Charter are to remain in training and, second, by the revelation of an unusual number of controversial handicap marks in the Ladbroke Free Handicap.

In that assessment of the leading two-year-olds of 1983 Guy Harwood's unbeaten Lear Fan has been rated only third best and 4lb behind Greag-an-Sgor.

In a predictably forthright statement following the announcement of those weights Harwood made it clear that he was totally nonplussed by his colt's low assessment and that he might well saddle Lear Fan for the Free Handicap.

The news that Habibti—arguably the fastest sprinter since the war—and Time Charter will be back in action in 1984 could hardly have given flat racing followers a more welcome lift in the drab run up to National Hunt racing's Christmas festivities.

The news was all the more welcome and unexpected following the premature retirement of those lightly raced colts, Shareef Dancer and Caerleon.

Long range forecasting in any field, let alone racing, is always a tricky business but for the record here are a few prognostications on who will be making the headlines in 1984.

● MICHAEL DICKINSON will again dominate the Cheltenham Gold Cup without getting anywhere near his dream of savouring a first-ever "National" success.

● STEVE CAUTHEN, a 10-1 chance for the flat racing championship, may clinch the title through sheer perseverance.

● PAGAN OF TROY, at twice those odds for the Derby and still a maiden, will follow his sire's example on Epsom's famous Downs.

● Without more than a few weeks' warning at the most, Lester Piggott will hang up his race riding boots at the end of the season in which both he and Lear Fan will have failed to make much impact.

Dominic Wigan

FT sports writers star-gazing

. . . Will 1984 bring new fortun

to Bob Willis, Steve Cauthen,

Mats Wilander and many mor

Mats Wilander . . . maturi

The year of Southampton

IN SPITE of the disadvantages of a brilliant but inconsistent goalkeeper I expect Liverpool to retain the First Division championship with Manchester United as runners up.

Although I caught Sheffield Wednesday on a bad day, when they lost their unbeaten record to Crystal Palace, their well-organised defence and the number of chances they create from midfield should be more than enough to see them finishing at the top of the Second Division.

I tip Norwich to win the Milk Cup, if only because Live are beginning to belie belongs to them.

My hunch for the FA C Southampton, because they probably the best organise fence, certainly the finest keeper, and, in Danny Wilt the most exciting, explosive fastest winger I have seen season.

However, they first nee beat Nottingham Forest . and there can hardly be a difficult draw. If they fa this tough first hurdle, w is by no means unlikely, I switching to Forest, who already conjured up some performances for Brian Cl this year.

Trevor Baile

The year of the young

AMONG the men of tennis, will decide which of the current leaders will estab dominance. Will it be 31-y old Jimmy Connors or has era, which began in 1974, interrupted by Borg's five reign and resumed again 1982, finally ended?

Certainly the drive and c mitment at last seem to waning in the face of an o rigid code of conduct. Or haps John McEnroe, 25 January, will finally mature do his immense talents justice so that he takes Borg's mantle

Or perhaps young M Wilander, still only 19 learning quickly about f court play, will re-establ Swedish leadership. Winner the French title on clay in 1 and now the Australian cha pion with wins over McEn and Ivan Lendl on gra Wilander is maturing fast.

The great enigma is Len Three crushing psychologi blows in two years, the first a last in Paris and Melbourne the hands of Wilander, t other in New York this year Connors may inhibit him f years to come.

The main battles next ye may be between McEnroe a Wilander. If so it will be a fa cinating confrontation of geni against method, of flaming pa sion against cool concentratio

The women's game despe ately needs someone to cha leng the utter dominance Martina Navratilova. That pe son just might be Bristol's J Durie.

But with the oppositio alerted the next step will b an immense one. I shall not b surprised if Chris Lloy announces her retirement dur ing the year and I expect t see several youngsters emerg from the pack.

Barring accidents, however Miss Navratilova should have another brilliant year with the French championships as her most vulnerable tournament. If she wins she will hold all four major championships—not in my book the Grand Slam though until she holds them all in the same season.

John Barrett

. . . and Ben Wright reports on a magnificent moment

JACK NICKLAUS crossed the stone bridge over the Swilcan Burn. He stopped and waited. The applause from the grandstands almost surrounding the adjacent 18th and 1st holes on the Old Course at St Andrews started to swell to a deafening, emotion-filled roar, just as it had at the climax of the last previous Open Championship played there in 1978.

A small blond youth followed Nicklaus across the bridge, and, as the pair walked up the 18th fairway, the legendary American put his arm around the sloping shoulders of the young man. Nicklaus needed a par 4 for a final round of 62. But his Tunbridge Wells-born partner, 21-year-old Paul Way, had led his illustrious rival and the entire field by six shots overnight in the 1984 Open, and now still had a two stroke cushion over Nicklaus, and had outdriven him.

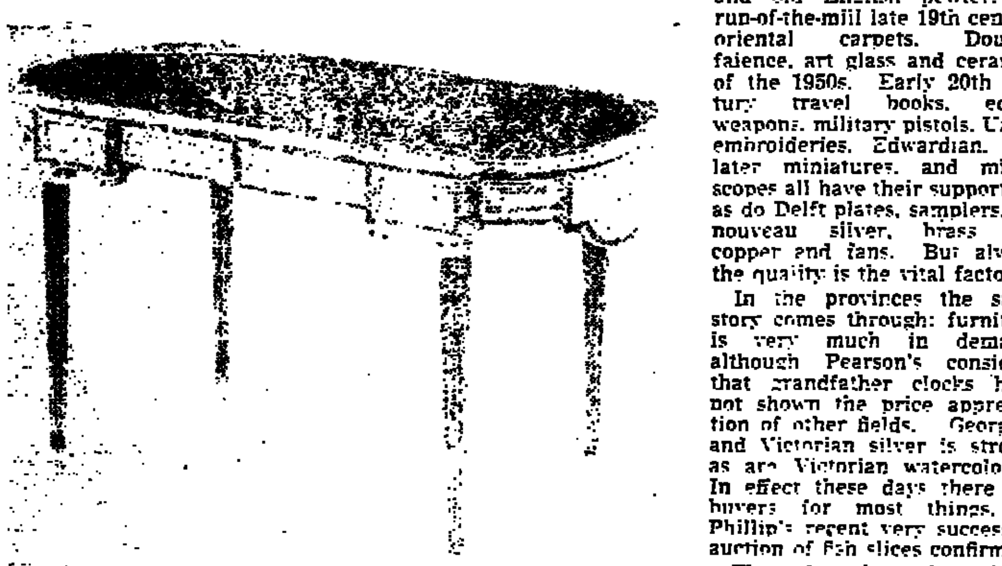
As ever, Nicklaus had given his all and, as has happened so often in major championships, it was just not quite good enough. The young Briton had stood firm against all the brilliant birdies that Nicklaus had thrown at him with increasing desperation.

The wedge shots into the final green, the two putts by each man were just a formality before the British were able to salute with almost hysterical relief their first home-bred Open Champion since Tony Jacklin's wonderful triumph at Royal Lytham and St Anne's in 1969.

It was a magical moment, and there was hardly a dry eye in the land. Wishful thinking? But there were many who said the same about Jacklin on the eve of his stunning victory almost 15 years ago. They just couldn't believe it would actually happen.

Rising prices in the salerooms

BY ANTONY THORNCROFT



Desk by Martin Carlin, 1778, sold for £918,000, the second highest price paid at auction for a piece of furniture.

THIS HAS BEEN a very good year for the fine art salerooms, and what is good for Sotheby's and Christie's somehow filters down, perhaps slowly and unevenly, to the owner of a Saturday morning market "junk" stall—and even the collector.

For although record turnovers and very high prices mean that collectors of antiques have to pay more it also suggests that the market is buoyant and that prices are likely to go on rising—at least in the short term. At the moment there is no boom—just a gradual increase in demand and price in most sectors.

In the autumn season Sotheby's boosted its worldwide turnover by 74 per cent to £141m; Christie's was up 50 per cent at £128.2m, and Phillip's gained 28.3 per cent to £41.6m. Much of the expansion was in the U.S., particularly New York which has overtaken London as the world art centre in many markets. But London did well, too, not least the smaller salerooms specialising in goods that the average collector can afford: Christie's South Kensington, for example, broke the £20m barrier in 1983 and its autumn sales were 33 per cent higher.

This overall improvement is repeated in the small provincial salerooms. Pearsons of Hampshire topped £2m sales for the first time, a gain of around 24 per cent. Peter Raw of Pearsons sums up the advice of all fine art specialists and valuers to prospective buyers of antiques: "Buy something you like that is of the top quality, is preferably old, and that you can use." Collecting for the sake of a speculative gamble leads inevitably to disaster.

But what do the experts consider the hottest items of 1984 in the salerooms and antique shops? Phillips has asked its 130 specialists what they consider to have been the best "buys" in the auction house in 1983 and also their tips for 1984. The hot favourite is furniture. Indeed in the eight years in which Phillips has been posing the question furniture has never had so many fans.

In this vast field fine 18th century English furniture has most supporters, with the best quality Victorian and Edwardian furniture not far behind. As a second choice a number of arts fields are nominated, including 19th century watercolours, modern British paintings, prints, and Scottish colourists. All the specialists emphasise the importance of *top quality and condition*.

Delving more deeply into the recommendations the experts suggest that in the field of paintings, as well as fine quality, topographical views of glamorous, but remote, places did well in 1983. Italian and French pictures are the tips for 1984. At the under £500 end of the market portraits could do well. In watercolours European works of middle rank artists between 1750 and 1830 are favoured along with 18th century Dutch gouaches, and, in prints, modern British etchings seem very cheap. Stipples and mezzotints of the 18th century, which can be acquired for less than £100, are regarded as under priced.

In silver and plate the specialists fancy English snuff boxes and colonial silver, with modern tea sets and candlesticks a snip at less than £500. In jewels Russian, French antique jewellery, 18th century gold rings with love mottos, and enamel memorial pieces are favoured. In ceramics and glass Cobweb English porcelain, 1760-80 and 18th century porcelain figures have their backers, and in the oriental sector Chinese 19th century porcelain and late Japanese seem cheap.

In more specialist fields Phillips suggests you keep your eye open for marine chronometers and old English pewter, for run-of-the-mill late 19th century oriental carpets. Doulton faience, art glass and ceramics of the 1950s. Early 20th century travel books, edged weapons, military pistols, Uzbek embroideries, Edwardian, and later miniatures, and microscopes all have their supporters, as do Delft plates, samplers, art nouveau silver, brass and copper and fans. But always the quality is the vital factor.

In the provinces the same story comes through: furniture is very much in demand, although Pearson's considers that grandfather clocks have not shown the price appreciation of other fields. Georgian and Victorian silver is strong, as are Victorian watercolours. In effect these days there are buyers for most things, as Phillip's recent very successful auction of fish slices confirms.

These days the antiques business covers a tremendous range: there is little in common between the foreign and Bond Street specialist dealers who cram the important sales at Sotheby's and Christie's and the myriad small antique shops where a few valuable items rub shoulders with rubbish. Expertise is the key to both success and pleasure, and above all you must have a genuine interest in what you are collecting.

Every year there are stories of valuable items turned up at the discovery sweeps which the major salerooms conduct around the country: Sotheby's recently unearthed a Hans Hoffman painting and sold it for £407,000, to the amazement of its owner. More such finds will be made in 1984, but it is always best to deal with the established specialists rather than the nearest so-called expert.

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Saturday December 31 1983

/hen no news good news

PAGNE CORKS will be in record numbers this from Surbiton to ester County to the s of Tokyo, as stock-s, investors and business-ll over the world mourn passing of the most atingly uneventful year ng memory. It has been for the record books ydney to Stockholm and Milan to Mexico City as markets everywhere have ated the first year since 1960s of boring, old-hed economic recovery t a single really nasty for the financial markets. course, 1983 did bring a political and economic ses. And they were not favourable as the un-ed power of the U.S. ry or Mrs Margaret ner's landslide victory in neral election. But even ar's bad news, whether it from the forex dealing of London or from the ites of Beirut, was ly of the unexpected k horror" variety.

e debt crisis continued to the dollar and the U.S. t deficit continued to soar. ployment continued to in Europe and relations en President Reagan and oviet Union continued to orate. But all these trends already firmly under way e time 1983 began

owing through

us, even if 1983 did not turn out the way the fore-rs had predicted, it was tually a year of following gh with established trends. the first time since the oil embargo thrust the economy into a period stability exactly a decade hope (and even perhaps uch of complacency) has me a fashionable point of r. While the old order has inly changed there are at good grounds for believing all order has not been oyed

ock markets all over the d are now discounting in record prices a steady very in the U.S., gradually healing the rest of the world omy, controlled and stabi-l by governments every-re which are dedicated to struggle against inflation. looks like a reasonable ectation.

he pitfalls are already ely recognised and well wn even among politicians electorates. The most ous of these on the econo-front is the magnitude of U.S. budget deficit with the ationary and destabilising lications that this ultimately ies. While the chances of action being taken this year control the deficit are negli-ie, the political consensus in shington for action after the vember elections is growing the time.

Admittedly, President Reagan himself is at present the main dissenter from this consensus and, as the U.S. election campaign gets into full swing, his rhetoric against tax increases is likely to intensify. But the markets are already well prepared for this and calm in the knowledge that the year after an election is the time when tough decisions—and even ones that go against a candidate's election platform—can best be made.

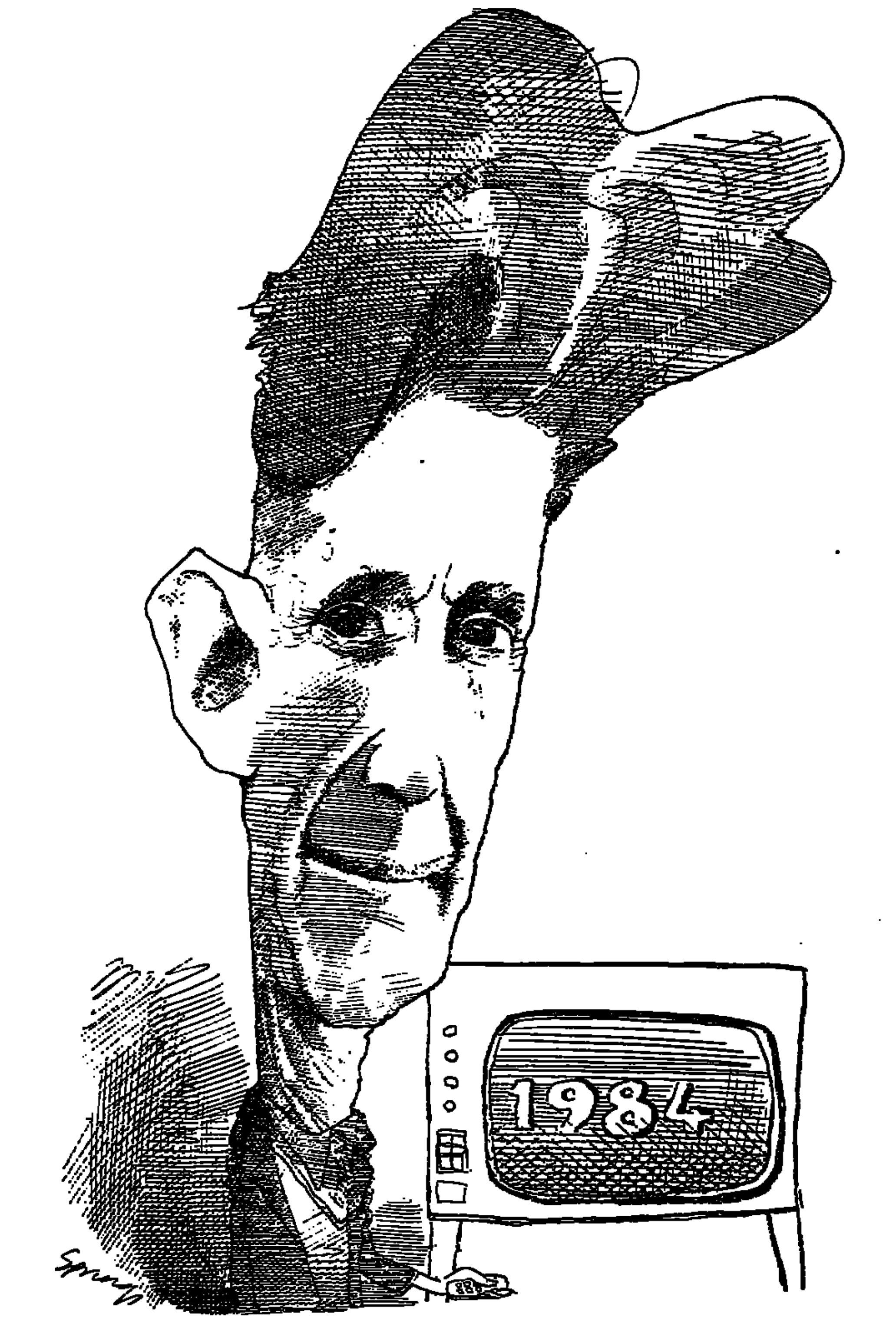
The prospects for steady, non-inflationary growth in the U.S. have not been as good for years as they are today. It is hardly likely that President Reagan, for all his dogmas about supply side economics, would wish to jeopardise these prospects when the election is out of the way. And once the long-awaited U.S. fiscal readjustment becomes a reality, the other pieces of a healthy world economic recovery could fall into place. The dollar could decline to a more reasonable level, albeit perhaps a higher one than the world learned to expect in the troubled 1970s. Real interest rates could fall, although again, perhaps, not as far as they did during the past decade's great inflation. Gradually, investment and productivity would rise—and rise in a more sustainable way than in the current, essentially cyclical, phase of the recovery.

These, then, are the elements of the rosy outlook that investors all over the world now see before them. They assume, in essence, that 1984 will turn out to be another year like 1983—a year when old trends are continued, rather than new ones set. They assume that President Reagan will not be ousted by a Democratic challenger, who may have a whole panoply of his personal economic notions to try out before he is willing to knuckle down to the realities of the budget. They assume that the Third World debtors will be not only able, but also willing, to continue with the adjustment programmes which, in some cases, are only now reaching their critical point. And they assume that the current precarious balances in the Middle East and between the U.S. and the Soviet Union can be maintained.

These are political imponderables which no crystal ball is clear enough to foretell. There is, however, another—economic—uncertainty. The economic recovery so far has been just that—a recovery, which was bound to come sooner or later, from a cyclical slump. This recovery phase is now over in much of the world—in the U.S. gross national product is already well above its late-1980 level and in the UK it is just about at its 1979 peak. The world economy next year will be growing into new territory, for the first time since 1981. This alone is perhaps sufficient reason to believe that 1984 may turn out to be a bumpier year than 1983.

The real message of '1984'

By Bernard Crick



IT IS not the best of his books. The market in Orwells is artificially high. When the coming awful year is over, stocks in Nineteen Eighty Four will take a tumble. Some publishers will have burned their fingers—which at least gives pleasure to other publishers.

Yet Orwell's as a whole will continue to be a steady growth stock from a more solid base. Animal Farm will continue as both his most popular and his most artistically successful book, but more and more people will be led to read his essays which are likely to be seen as his lasting and greatest claim to fame.

The essays raise George Orwell to the stature of Swift, Johnson and (though one can hardly get a quote for him at the moment) Hazlitt, and allow him at least to keep the company of Dickens and H. G. Wells which his novels alone would scarcely allow.

And I'm sure we will still read Nineteen Eighty-Four in 1985 (and not merely because our daughters and sons have had it set as an "A" level text—whatever *Big Brother at DES* may think). But at the moment it is being read with almost too much excitement.

One of the difficulties of a popular novel, now likely to sell a cool quarter-of-a-million in the British market alone this coming year, is that many people read it who do not

'Orwell tries to work far too many satirical themes into one story'

usually read serious novels. People are reading it as if it was a prophetic book. Politicians are making speeches about it.

If one is of a radical disposition, everything that is going wrong at the moment, from arming the police to requiring the editor of the Guardian to return lost property, will be called "1984ish"; or if one is of a conservative disposition, then one says we are not in anything like Orwell's nightmare Oceania. "the fellow was wrong"—as yet. . .

Is it something in Orwell's reputation or a fault in the reader that tempts such literal-minded readings? What did he foretell? Have these prophecies come to pass? if not, why not? or so much the worse for him.

Certainly the book is not meant to be a prophecy, though much of it is a warning in grotesque terms; yet all of it is a satire. Orwell himself called it a satire or a parody in letters both before and after the book's appearance, and in a notable press release when he found, even at the time, that some reviewers were taking it too literally.

"It has been suggested by some of the reviewers . . . that it is the author's view that this, or something like this, is what will happen inside the next 40 years in the Western world. This is not correct. I think that, allowing for the book being after all a parody, something like Nineteen Eighty-Four could *happen*. . . . Specifically the danger lies in the structure imposed on Socialist and Liberal capitalist communities alike by the necessity to prepare for total war with the USSR and the new weapons of which of course the atom bomb is the most powerful and the most publicised. But the danger lies also in the acceptance of a totalitarian outlook by intellectuals of all colours.

"The moral to be drawn from this dangerous nightmare situation is a simple one: "Don't let it happen. It depends on you.'"

Here he calls the world situation a "dangerous nightmare," which surely it still is. And his book itself has often been rightly called "a nightmare": it is a surreal treatment of reality, not literal and cool as is the style of most of Orwell's earlier books and essays, notably The Road to Wigan Pier and Homage to Catalonia. And he did this deliberately. It was no accident of illness. Moreover he calls it "a parody." And the original dustjacket had called it a satire. Parody or satire of what?

It is here, I think, that the book runs into trouble and attracts so many wildly diverse interpretations. It has been read as a deterministic prophecy, as morbid misanthropy, as a democratic socialist satire, as a rejection (conscious or not) of any possible socialism, as a libertarian (almost anarchist) protest against centralised power of any kind, as a paean to human love or bitter exposure of its uselessness. Body-snatchers from almost all points of the political compass descend on the long-dead Orwell: only Communists remain consistent in rejecting him completely, but for the bad reason that they think it is aimed solely at them. Some anti-Communists agree with them. *For instance, Conor* Cruise O'Brien in a characteristically cocky, knock-about piece (Observer, December 18 1983) denied that Orwell was right to see his own book as "anti-totalitarian":

". . . anti-totalitarian is misleading because it is not specific enough. Nineteen Eighty-Four is not about some generalised form of oppression, which could be on the Left and could be on the Right. It is about—as we shall see—something that could only be communism, as it developed in the Soviet Union . . . If Nineteen Eighty-Four is even partially any kind of satire about our Western way of life, I'm a Chinaman."

O'Brien is a Chinaman. His anti-Communism is myopic (therefore not likely to be effective). Can he not even see, for instance, that the naming of the Inner Party *agent provocateur* and interrogator as "O'Brien" is a minor level of satire against the Catholic Church? To deny that it satirises ourselves as well as the Russians is simply to distance it, to see only the mote in the other's eye and not the beam in our own. Orwell was expert in seeing double.

This is gross of O'Brien (the Chinaman, I mean, not the Oceanean Thoughtpoliceman), for he knows that Orwell took Swift as his model in both Animal Farm and Nineteen Eighty-Four. Both were hailed as "Swiftian satire." And what is Swiftian satire but savage, exaggerated caricature of the familiar? Do we read Gulliver's Travels and think that there are giants in Brobdingnag, or simply that men can be cruel and brutally powerful? Do we think there are dwarfs in Lilliput or simply that men can be small, mean, petty and pompous?

As *I have* said, the artistic difficulty with Nineteen Eighty-Four is not that it is not obvious that it is a satire, except to a bull in a china-shop, but that Orwell tries to work for too many satirical themes into one story. It is the most ambitious and complex of all his works, and one very carefully planned and premeditated (as we know from notebooks); but not the most successful.

I can see no less than seven main satiric thrusts. Briefly they are: (i) A protest against the division of the world into spheres of influence by the great powers at Yalta and Potsdam; (ii) a mocking of the intellectuals (the Outer Party) for being more concerned with hanging on to their jobs than with educating the common people; (iii) a sardonic caricature of the mass-media as purveyors of prolefeed, to rule the masses by debasement and trivialisation rather than coercion or economic incentives; (iv) a savaging of the power hungry in which, rather confusingly, totalitarianism is both attacked in itself and used as caricature of any pompous boss who demands too much and consults too little; (v) a defence of plain language against bureaucratic and official jargon and *circumlocution*; (vi) a parody on how history gets rewritten for political purposes; and (vii) an attack on a now largely forgotten book, James Burnham's The Managerial Revolution, which had claimed that neither rival ideologies would win but that a common culture of managers and technicians would emerge in both the U.S. and the USSR, a common culture which would value power for its own sake, neither for moral nor ideological ends.

That is a lot, but it is all there—and several minor themes besides, like the Catholic Church and post-war austerity. Small wonder the book is so diversely interpreted, so difficult to pin down precisely. But why should an imaginative work be pinned down precisely? Presumably he wrote a novel because he wanted to speculate and because some questions were open-ended in principle or at least unresolved in his own mind.

Does the novel suggest that "power for the sake of power" is a possible motive for despotism, or an absurd—and thus mocked—self-deception on O'Brien's (of the Thoughtpolice) part? Does it suggest that language could ever be purged of politically heterodox concepts and Shakespeare translated into Newspeak, or is Orwell savagely mocking the impossibility of either enterprise? Does he suggest that a wholly false history *could* be fabricated, or that this is both logically and practically impossible? There is no answer.

These are dilemmas. The author mocks to keep our courage up, so that we neither despair and cease resistance nor take for granted that we are not living in Nineteen Eighty-Four.

Allowing for it to be parody or satire, gross, deliberate, almost savage exaggeration, how much of it has come *true*?

That emperical question is unanswerable if put to a fictional satire, at least in precise terms. But if we care to consider how much of the satire written in 1948 and aimed at Orwell's contemporary events and conditions has remained true, the answer is rather depressing and worrying. Like-

'The laughter of free men is a great enemy of arbitrary power'

wise, when we subtract all the purely topical political satire from Gulliver, we are still left with enough real human "giants," "pygmies" and "Yahoos" to leave us uncomfortable. 1984 seems less unlike 1948 than we might have hoped.

Certainly the book marks our final loss of faith in inevitable progress, a general realisation that the future will probably be worse than the past unless we can make some extraordinary contrary effort.

Orwell offers no positive policies, *but he tells us to* value and defend liberty, truth, language and plain speaking, individuality, human equality and—as in the parable of the proles—sociability and fraternity, so grimly lacking in the Inner and Outer Party. But most of all he offers mockery of the power-hungry who despise or negligently damage such values. The laughter of free men is a great enemy of arbitrary power.

Bernard Crick is Professor of Politics at Birkbeck College (London University), author of George Orwell: A Life (Penguin) and editor of the forthcoming Clarendon Press critical edition of Nineteen Eighty-Four.

Letters to the Editor

Benefits

From Sir Alec Atkinson

Sir,—In his "Economic Viewpoint" (December 22) Mr Samuel Brittan seems to imply that it is for "moralistic reasons" alone that the "myth of national insurance" continues to stand in place of a straightforward social security tax. But national insurance contributions are not only a source of income; they serve also as one of the main components of benefit entitlement. The contribution record largely determines, for example, which people of working age are covered for unemployment and sickness benefit, as well as the rate of retirement pension in later life. Alternative systems of entitlement could be devised but they would have their own difficulties and might well prove less satisfactory in practice.

Sir) Alec Atkinson.
Hook House, The Drive, Belmont, Sutton, Surrey.

Energy

From the Planning Director, Shell UK

Sir,—I note with interest your comments in your supplement on energy management, December 16, on Shell UK's steps in forming a new subsidiary company to provide energy management services. The reason and purpose of this initiative is however rather wider ranging than indicated.

For a number of years now we have noted the importance and effectiveness of our own internal drive to improve energy efficiency throughout our businesses. We could not help but compare that experience with the slow progress in improving the efficient use of energy in the country at large which, as indicated in the recently published report of the Advisory Council on Energy Conservation, appears to be slower than in most other major OECD countries. We felt therefore that there is here a gap where private initiative and our expertise could play a role and, hopefully, be profitably rewarded.

Our decision was therefore based on our reading of the UK energy scene as a whole. The issue of *making up for lower* fuel oil sales was hardly a factor in our deliberations; moreover, no outside advice was involved.

P. W. Beck.
Shell-Mex House, Strand, WC2

Underwriting

From Mr A. Taylor.

Sir,—British companies deserve the support and encouragement of Government, particularly those involved in the development of capital-intensive and advanced technology.

It would appear, however, that British companies are being obstructed from obtaining major technology contracts because underwriting is not forthcoming for major venture projects—the transatlantic submarine cable TAT-8 is a case in point. Guarantees of this nature can not be achieved in the open market and it would be right and proper for the Government to underwrite such projects.

Clearly, Government has a key role to play in preventing British industry from becoming technologically neutered.

Antony J. W. Taylor,
14, Swinburne Road, Darlington, Co Durham.

Textiles

From the Director, Textile Industry Support Campaign.

Sir,—Christian Tyler's article on the Turkish textile industry (December 19) refers to textile imports into the EEC and suggests that import restrictions have forced the Turkish industry to put cotton yarn into cloth for sale elsewhere.

Turkey has regularly over the years exported to the UK much more cotton yarn and cloth than "quotas" or ceilings agreed yet it has never been penalised in any way and has repeated the offence in subsequent years.

In 1982 for example, the ceiling for Turkish cotton yarn imports into the UK was 3,600 tonnes but actual imports were 6,681 tonnes. Up to the end of October 1983 imports had already reached 7,065 tonnes.

The time has surely come when the EEC and the UK should take a firm stand.

We might well emulate the Turkish authorities whose very tough unilateral control over their own imports is reported in the same issue of your paper.

John E. Longworth,
115, Windsor Road, Oldham.

Vantona

From Mr L. Jones.

Sir,—I am writing to express my disgust at the proposals for disposing of ICI's interest in Vantona.

I can appreciate ICI's wish to dispose of its interest, and, within reason, to do this through the institutions. The methods that have been adopted, however, have the effect of dividing the ordinary shares in Vantona into three classes with different rights:

(a) the "institution" shares.

(b) the shares held by members holding 1,500 shares or more.

(c) the shares of the small shareholders.

Those in (a) are able to acquire shares at 148p.

Those in (b) are able to apply for an allocation.

Those in (c) are excluded.

The position is made worse because the directors of Vantona (or at any rate three of them) have been given the right to acquire 265,000 shares (about one-sixth of those available) as what can only be considered as a benefit.

The actual effect on the smaller shareholders is probably negligible but the principle of separating the sheep from the poorer goats is most improper and I trust will not be repeated.

L. J. D. Jones.
23, Sunnydene Lodge, Bridgewater Road, Wembley, Middlesex.

Heathrow

From Mr A. Lucking

Sir,—contrary to the plea from Mrs Atlee and others (December 21) it would be very wrong for the Secretary of State for Transport to be deflected from his reappraisal of the outdated limit of 275,000 on annual movements at Heathrow. Modern aeroplanes create much less disturbance than those in use when the limit was devised, and the last noisy old ones retire on January 1 1986. At Washington's National airport, one type has been exempted from the curfew already. At the John Wayne airport in Orange County, the permissible number of jet operations has been nearly doubled recently, as a result of the improved performance.

U.S. advances in air traffic control techniques outlined at the September Belgrade airport conference mean that these quietened aircraft will be able to land with shorter intervals between them. *The emphasis* is on securing the best use of existing airports. At Heathrow, there is an urgent need to provide more slots for feeder services to regional airports, which can do much for economic revival. Half hourly services by small aircraft to centres 50-100 miles from Los Angeles International are the standard deemed necessary by Californians. Why should we be different? Certainly, incoming buyers think not.

Now that efficiency has started to break out at British Airways, the former BEA engineering base has become vacant, so that perhaps the fifth terminal can be built there, handy for Hatton Cross station, leaving the sludge works' site for a sixth, when air traffic control techniques have been improved sufficiently.

A. J. Lucking.
Flat 20, 17, Broad Court, Bow Street, WC2.

Derbyshire

From the Headmaster, William Allitt School

Sir,—You do wrong to give house-room to an ambitious but inexperienced MP, Phillip Oppenheim (December 17), when he is merely retailing the deceptions of the party propaganda machine. You do wrong to give even the appearance of respectability to a wildly overspending Government criticising its own faults in local government.

I work for Derbyshire and have served under both Labour and Conservative administrations. I have seen both of them struggle to limit the damage caused by government. I have watched the decline of the works department; I have seen the painfully slow attempt to equal the pupil-teacher ratios of neighbouring counties; I have given up secondary swimming and lost the school laundry. I *have seen* the *failure of the* Government's attempt to destroy free transport for children living over three miles away. I am not aware of "unnecessary projects" or of an "extravagant spending spree"; if the charge were true, I am in a position to know. I do know that Derbyshire is short of teachers in its secondary schools, and is disgracefully short in its sixth-forms, and that both Conservative and Labour members wish to remedy this. Do not forget that Derbyshire did not raise VAT, and is not responsible for the raising of the gas tax and electricity tax.

This county needs a good education service, and it needs local government to provide it.

Colin F. White.
The William Allitt School, Sunnyside, Newhall, Burton-on-Trent.

Cumbria

From Mr P. Taylor

Sir,—While Con Allday's regrets (December 16) about the radioactive contamination of 25 miles of Cumbrian beaches are to be welcomed, his attitudes towards radiation exposure of the public demonstrate a disregard for environmental standards.

He compares doses received to that of medical X-rays. This may be acceptable to a male nuclear establishment; it is not acceptable to a population containing pregnant women. For over 10 years diagnosic X-rays during pregnancy have been banned following epidemiological evidence of increased leukaemia in the children born to those mothers.

Current assurances with regard to the safety of the Cumbrian population rest on inadequate science. Over ½ tonne of plutonium has been discharged: it does not disperse, and only now are research programmes tracking it back to *man (and woman)*. Only in the past three years has it been discovered that it concentrates most in the bone of breast-fed infants. Is it just coincidence that multiple myeloma (bone cancer) has increased? The only proven cause of this disease is radiation.

Peter Taylor.
Political Ecology Research Group.
34, Cowley Road, Oxford.

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'Beliefs are imperatives'

By Paul Taylor in New York

JOHN OPEL was built for IBM. Like the corporation that dominates the world's computer industry, Mr Opel, IBM's chairman, is cool, tough and determined.

1983 has been a remarkable year for both Mr Opel and IBM. The company has long been the world's pre-eminent computer manufacturer, but at one time in the 1970s it appeared to be running out of momentum.

During the past 12 months or so it has sprung back with a vengeance. In the U.S. is has re-established its grip on its core business—mainframe computers—with new equipment and price cuts which have sent shivers of fear through other mainframe manufacturers, particularly those making equipment compatible with IBM's.

Those shivers have also been felt in Europe. In the UK for example, IBM appears on the verge of beating other companies to win a deal with British Telecom to develop the basis of a cashless shopping system.

Japanese manufacturers, too, have been under pressure. Following a celebrated FBI swoop, Hitachi pleaded guilty to industrial espionage charges and subsequently agreed to pay IBM a substantial settlement. In the Japanese market itself, IBM's long-established subsidiary has been fighting hard to regain the No 1 position it lost in 1979 to Fujitsu.

On top of all this, 1983 has been the year in which IBM's personal computer — launched just two years ago—has grabbed the largest slice of this fiercely competitive market in the U.S., establishing a standard which others must now try to match.

Now IBM's latest baby, its $700 "peanut" PC Junior home computer, launched just a few weeks ago, is promising to do the same for the troubled, lower price end of the market.

For John Opel, who has been IBM's chief executive since January 1981 and took over as the company's fifth chairman in February this year, it has been the culmination of years of work.

He has clearly played a key role in formulating the company's business strategy, although this unpretentious intellectual prefers to see himself as a team player. He attributes much of IBM's success to strategies laid down in the late 1970s when his predecessor, Frank Cary, was chairman.

Mr Opel, who will be 59 in a few days' time, was brought up in Jefferson City, Missouri, the son of a local hardware store owner. He joined IBM in 1949, straight after leaving college in Chicago with a business degree.

Mr Opel started out as a member of the legendary sales force of "Big Blue"—as IBM is known because of its corporate logo. He rose quickly through the ranks, holding 19 different jobs, including a spell as head of the press office.

John—he is addressed, like everyone else at IBM, by his first name only—appears to undertake the task of managing what is generally considered to be one of the best run corporations in the world with almost effortless ease.

IBM's unprecedented flood of new products alone would probably be enough—coupled with soaring profits—to justify Wall Street's enthusiasm for the stock, which has almost tripled in price since 1981.

By reducing costs IBM has been able to cut customer prices, while dealing a savage — and sometimes fatal — blow to its rivals.

Where IBM has found a product or technology gap it can not fill internally it has started going outside, buying components, in and forging new alliances with other companies.

Many observers believe this all adds up to a new and predatory business strategy, prompted in part by the dropping of the U.S. anti-trust suit against the company in early 1982. Mr Opel, however, says this view is understandable but mistaken.

IBM, he says, has not suddenly embarked upon a fundamentally new and fiercely aggressive strategy—rather the world is witnessing the first results of a business plan put into place several years ago.

"We have reorganised our business and have begun to execute a series of goals we set for ourselves in the middle 1970s," he says. "We are in an execution stage . . . and that makes it much more manifest to the public."

Mr Opel admits that other events, including the dropping of the Justice Department suit after 13 years, were also important, both psychologically and in cash terms.

Nevertheless, he is acutely aware that IBM's success can generate hostility. "I don't think the world really likes large enterprises all that much," he says, and stresses the substantial moves towards decentralisation which IBM has made.

It is in Europe that IBM faces perhaps one of its most immediate challenges—not from Europe's computer manufacturers but from a three-year-old EEC Commission investigation, which has charged the company with abuse of its dominant market position for allegedly pursuing unfair business practices.

Mr Opel emphasises that IBM "does not think it has done anything wrong" to prompt the EEC investigation. "We are trying our very best to come to some sort of agreement with the Commission. We are quite hopeful that we will be able to resolve it to the satisfaction of the Commission and our own company."

IBM is working hard throughout Europe to project what Mr Opel calls "the real story. In the UK, Mr Opel emphasises that as a result of decentralisation, the company's 15,000 employees, most of them British, run their own business affairs.

His vision of IBM five years from now is clear. There will be further decentralisation of decision-making at Big Blue. In terms of products and services, "as far as I can see, it is more of the same," he says.

Nevertheless, IBM could clearly continue its push into new markets. Mr Opel smiles when he notes that, in the past, "people had a preconceived idea that IBM was a very predictable company, that it would always do exactly what it had always done."

It was this broad tracking of market needs which led IBM into the personal computer market and, more recently, into the home computer market.

As IBM sees it word processors will soon be common in homes and schools and IBM intends to be there, too. While IBM may appear to be moving into the consumer electronics business, Mr Opel professes distaste for the term: "Consumer sounds as though you are going to eat the thing or throw it away every six months," he says, "and that really is a market with a different set of dimensions."

Mr Opel has one other primary responsibility at IBM. He is both guardian and chief promulgator of Big Blue's unique business philosophy—almost a "religion"—started by the company's founder, Thomas J. Watson.

Mr Opel himself says: "I have an absolute conviction that our beliefs, our commitment to our beliefs, our ethics, are imperatives. Change everything but do not change any of that."

The basic beliefs, commitments and ethics of Big Blue, says Mr Opel, have been "chipped into the marble of our conscience."

An entrepreneur whose time had come

By David Goodhart and John Lloyd

ment Secretary had a private dream of the print unions meeting their Nemesis in the form of a *newsagent* who took suit against them for arresting his supplies: a news *publisher* is pretty close.

Mr Tebbit's senior officials knew the 1980 and 1982 Employment Acts, with their concern to limit the scope of the closed shop, or union membership agreements, were more than likely to find their earliest and hardest battles in the print industry and that probably their opponent would be the National Graphical Association, the grandmasters in concluding such agreements.

Mr Len Murray, the TUC general secretary, foresaw Mr Shah's emergence 18 months ago when he warned that a challenge would be made and that it would revolve round "someone no one had heard of."

However long and well foretold the coming, the personality could not have been foreseen. For the Acts' supporters, Mr Shah could scarcely have been better: for the unions, he was the stuff of which nightmares are made.

Mr Shah represents a new breed of small employer in the print, relatively untouched by the deep conservatism of both unions and managements. The free newspaper industry—of which he is a pioneer in the Manchester area—has attracted such "outsiders" over the past few years, drawn by the promise of fast returns on low overheads.

A few are non-union, but many others—like Mr Shah until recently—play to the rules grudgingly but find it hard to accept any qualification of the "right to manage."

There is little love lost between many of the old-style newspaper employers and the Shah generation — partly because free papers have seriously dented circulation of paid-for papers. It was noticeable how few print employers, locally or nationally, spoke up for Mr Shah when the dispute turned nasty. Of course he had powerful allies on the sidelines but the sense of isolation—of a personal, physical, battle—appealed to his fighting spirit.

Cambridge-born Mr Shah, with a Persian father (a second cousin of the Aga Khan) and English mother, was educated at Gordonstoun and then worked in theatre and television before selling his house in 1974 to realise the life-long ambition of owning a newspaper.

The number and profitability of his titles grew. He now has six papers with plans for a seventh next year, along with a new book publishing venture. He expects a £½m profit this year on a turnover of £5m and his next step will be to buy

Hugh Routledge

an established chain. The technology is modern—although not the very latest—and Mr Shah has produced his own computer link-up system.

Affable and enthusiastic, Mr Shah is capable of attracting both strong loyalty and hostility. His 120 staff, who have fully backed him throughout the dispute, enjoy a profit-sharing scheme and an open, first-name, relationship with the "shirt-sleeves" boss

Initially accepting the need for an NGA closed shop—he joined the union himself—he grew distrustful of the union after a row in 1981 over a house agreement. Opening a new plant in Bury, he stressed that a closed shop had to be on the right terms—and gradually came to the conclusion he could dispense with one entirely.

His resolution was strengthened in December 1982 by taking a call from an NGA official in hospital where he was visiting his wife, Jennifer, who was then seriously ill. The official put a final ultimatum to him: he vowed then not to give in. "Living through a life-and-death struggle like that gave me extra strength to survive," he says.

When, in July this year, the NGA first used industrial action to put pressure on him, Mr Shah had "stumbled upon" the Employment Acts and realised he had legal backing for a fight: in the same month, he issued his first writ. As the dispute grew more bitter and more public, he elevated his staff's right *not* to join a union as the central principle—though he briefly conceded a post-entry shop for new employees in the course of negotiations.

The NGA took that concession as a sign of weakness: in fact, he grew in strength throughout the dispute and was able to match the much more experienced negotiators in the NGA leadership.

The "little man" image which Mr Shah has projected so successfully found public resonance because the political ground had been so well prepared for it. Both the Prime

u.e. but in the ousting, it get - ahead - under - our - ow steam *arriviste* to whom established institutions systems are a potential ener their rhetoric is imbued w this view.

The victory of the "lit man" against the forces unionisation and the Left cou thus be easily slotted in to moral framework where fr dom battled — successfully with tyranny. Mr Shah saw t clearly, and his statements creasingly reflect it: the N also saw it, and sought to sh the moral ground to that relatively low pay and the sa ing of the "Stockport Si looking for the "heartl capitalist" stereotype to repla that of the "authoritari union." It did not succeed— index in itself of a profou change in political and mo values.

In the long term, it may that Mr Shah's importance l not so much in the effects whi flow from his dispute with t NGA, but in the clarity wi which he demonstrated the re tive impotence of a uni movement which had be among the most influential the world a mere five yea before. His own stubbornne in the face of pressure and h talent for publicity were eno mous assets in this; yet he w able to stand out and win part because the law—as he co stantly reminded TV audienc —was on his side, and part because the trade union mov ment had neither the will n the power to assist the NGA rubbing him out.

No-one seriously expects th printing industry suddenly teem with Eddie Shahs takir on the print unions; but le publicised straws in the win from the few provincial new papers with advanced com puterised systems, show th NGA to be on the defensive. M Shah's experience was as muc a deterrent from using the la as an encouragement to othe employers to follow suit—bu those who wish to, have th precedent of eventual victory. Those unions who prize th closed shop will not let go i they can help it—but Mr Shah' workers have, apparently (the never spoke directly to th media) stood out against join ing such a shop, and provid seductive examples to thos workers who wish to opt out.

A wealthy public-school edu cated printing employer o Persian extraction who prints giveaway newspapers and wh becomes a household nam through breaking a strike is an unlikely British hero: yet Mr Shah was runner-up as man of the year in a BBC "Today" programme poll to a world-famous priest who leads a peace movement in a year where that movement has achieved its greatest support ever. As 1984 dawns, Mammon is running God a close second.

Weekend Brief

Confusion over an Islamic pot still

Hanging from the rafters of an antiques barn in the Virginian countryside was something in copper that looked a bit like a small domestic hot-water tank shorn of its lagging. "Is it a pot still?" I asked the owner.

Hundreds had inquired about it but no one before had guessed right. Reluctantly I decided I couldn't take the chance that HM Customs would also fail to recognise its provenance.

A similar experience cost the Science Museum in London about £40,000. Four beautiful pieces of glassware just put on display give some inkling of the ancient world's interest in distilling spirits.

Dr Robert Anderson, keeper of the chemistry department, believes they may be some of the earliest surviving chemical apparatus of the West or Near East. They form the centrepiece of a new exhibit of the origins of distillation.

But it needed a chemist to spot what they were. When first offered for sale by Christie's in 1978, the translucent vessels with their gold-green irridescent patina were described as "fine and rare Roman glass funerary vessels, circa 2nd century AD."

Dr Frank Greenaway, then Anderson's boss, recognised that Christie's had got the photograph of the glass upside down in the catalogue. Turn the page round and the "spouted funerary vessel" became an alembic, a form of still.

He failed to buy them at the time, but later that year with extra money from the Glass Manufacturers' Educational Trust the Science Museum acquired them from a dealer. This explains why they are displayed among glassware rather than chemistry. Nevertheless, the chemists have re-identified their treasures as stills of early Islamic origin, 10th-12th century.

Distillation, the separation of liquids such as alcohol and water by carefully controlled boiling, is perhaps the oldest of all distinctively chemical practices. Such words as alcohol and alembic are themselves arabic in origin.

Dr Anderson, a student of the history of chemistry for whom the origins of distillation is a consuming interest, says the earliest surviving evidence of distillation comes from the Indus Valley around the time of the birth of Christ. From there it spread east to the alchemists of China, and west to Islam and Greece.

Dr Anderson with his display of the origins of distillation.

Potable alcohol was not the only interest of the alchemists in distillation. In their search for the Elixir that might prolong life they used it to separate many essential oils such as perfumes. To aid their armies, they used it to separate the flammable fractions from mineral oil, used as "Greek fire"—early chemical warfare.

Dr Anderson's display includes a modern alembic, of clear green glass, very similar to his centrepieces, obtained from an alchemist in Iran as recently as 1975. It was being used to make "elixirs."

He knows his unique vessels are remarkable examples of early glass-blowing art but not what they were used for. Their fragility—the glass is thin and evidently badly corroded—is the big problem. "We don't really want to find out how fragile they are."

The Science Museum thought long and hard about the display, not least because of extensive reconstruction close to the Glass Gallery. Their new home is an air-conditioned case in a corner, set on anti-vibration mountings.

The intrinsic fragility of the ancient blown glassware is one obvious reason why so little is recovered by archaeologists. Another may be that it often broke when the alchemist tried to take his alembics apart. But Robert Anderson is cautiously weighing the risks of retrieving traces of any residues in the two cucurbits (flasks), for assay. Perhaps date wine was once distilled into fine brandy in Islam.

How efficient were the various shapes of ancient still? Dr Anderson says they are surprisingly similar, all "fairly effective," as shown by a recent experiment using modern quartz glass reproductions of various ancient designs.

He is scornful, however, of the professional competence of antique dealers in this field. They have often mis-identified alembics. Earlier this month Christie's boobed again with what it described as an "amber translucent glass hydrometer" of late Roman or early Islamic origin. A hydrometer is a simple instrument which measures the specific gravity of a liquid — for example, to tell you how much alcohol is present.

This one is ill-fitted to measure any liquid known to chemists, ancient or modern. It would simply bob on the surface like a duck. "One thing it absolutely is not is a hydrometer." Christie's was estimating its value at £1,300-£1,500, but Dr Anderson believes they were pretty lucky to raise the £650 paid for what could well be just a drinking vessel.

Staying away from the telly in Boston, Mass.

When my hosts in Boston's outskirts decided we'd celebrate New Year's Eve in town I steeled myself for a pricey meal, paper hats and plastic jollity.

But not a bit of it. Sensible Bostonians have evolved their own unique way of making New Year's Eve once more an enjoyable publicly-celebrated festival.

They call it "First Night." The most you need to spend to relish it fully is just $3. But you can share a lot of the fun for nothing.

Only eight years ago artists from Cambridge, just across the lovely Charles River, and from Boston proper decided that America's modern tradition of spending New Year's Eve glued to the telly should end.

They established the non-profit-making charity First Night Inc. and organised entertainments and shows in all sorts of places including the streets. Half their funding came from selling identity buttons which admit you to everything. Tax-deductible donations covered the rest.

Despite the hard-boiled image they project Americans are very soft touches for anything really worthwhile. First Night Inc. raised immediate enthusiasm—and funds. It's still mushrooming wildly.

Today celebrations begin with a 2-5 pm Children's Festival. It's followed at 5.30 by a city-centre Grand Procession from Boylston Street to Boston Common, America's oldest public park.

Main events fill 7-11 pm—45 performers in 45 different places. They include shows of every conceivable type—jazz, rock, pop, and classical music, short plays, variety acts and mime.

Every sort of venue is used. A major classical concert will be given in the beautiful 300-year-old King's Chapel, the first Anglican church built in America. In the streets there'll be steel bands and braziers and other entertainers. The famous Bonwit Teller department store has its windows ready cleared for its now traditional mime show. Downtown hotels are mounting ice sculptures. Busy commercial Copley Square will stage a spectacular laser display.

Ten minutes before midnight magnificent fireworks on Boston Common—already a firm First Night tradition—carry the crowds up to the moment when all the city's church bells peel, sirens sound and people start happily homeward on late buses and trains as well as by car.

The city authorities give First Night wholehearted support. The public love it. Welfare workers are delighted. "This takes the pressure off our poor and lonely people," one of them commented. "Everyone you meet in the streets is your friend."

Police problems have lessened too. "Everyone's kind of happy," a cop told me. "Ain't no more drunks lurchin' around the streets with bottles stickin' out of their pockets."

Deserting the City to be a prankster

New Year's Eve is the busiest time of the year for Chris Gittings, 36, a former stockbroker's clerk who found that life in the City was a trifle dull for someone who was a practical joker at heart.

Several years ago Mr Gittings and some friends set up a small joke shop, called Knutz, in Covent Garden—before the area came up in the world—and quickly capitalised on the growing interest in practical jokes.

Now, almost everyone professes to be a practical joker—ranging from such well-known pranksters as Prince Charles and Prince Andrew to solicitors and advertising executives who crowd into Knutz after a convivial lunch to buy a few jokes for the office.

"Businessmen tend to go for two main types of jokes," says Mr Gittings. "They either want the traditional sort—with exploding cigarettes being the most popular—or else they look for something a bit saucy."

Margaret Thatcher jokes are also among the most popular with British businessmen. Since coming to power, Mrs Thatcher has spawned virtually a whole industry of memorabilia—ranging from life-size cut-out dolls and realistic looking face masks to loo-roll holders and joke handbags.

Mrs Thatcher remains one of the more enduring lines sold by Knutz but many jokes and novelties tend to be only a craze for a few months. Mr Gittings spends considerable time abroad, especially in the Far East, looking for the new fads of tomorrow and ensuring that ample supplies are made available in time to meet demand.

"It is quite difficult to find something that is really new and available at the right price," he says. "Many of the best jokes have been around for years if not decades."

Consequently, Knutz has tried to create some new jokes of its own. One of the winners of recent months has been a realistic looking card-board wheel-clamp, selling at around £5.65.

A more controversial bit seller has been a special pocket-sized "Hitler's Diary" for 1984—"we even had the nerve to advertise it in the Sunday Times."

But New Year's Eve remains the busiest time, with party poppers (at £1.99 a dozen) and spray streamers (at £1.65 a can) being the most popular. "Everyone nowadays seems to want something noisy for a party at this time of the year," points out Mr Gittings. Perhaps it is just as well he dares not try to venture back to the floor of the Stock Exchange again. . . .

Contributors:
David Fishlock
H. Dennis-Jones
David Churchill

BUILDING SOCIETY RATES

	Share a/cs %	Sub'pn shares %	Others %	
Abbey National	7.25	8.25	8.25	7 days' notice. No interest penalty
			8.75	Higher Interest acc. 90 days' notice or charge
			6.00-7.50	Cheque Save
Aid to Thrift	8.50	—	—	
Alliance	7.25	8.25	9.00	2 years, 3 months' notice/penalty
			8.50	28 days' notice. Imm. withdwl., 28 days' penalty
			8.25	7 days' notice. No interest penalty
Anglia	7.25	8.25	8.75	3-year Bond. No notice. 3 months' penalty
			8.50	Capital Share. No notice. 1 month's penalty
Bradford and Bingley	7.25	8.25	8.50	1 month's notice or on demand
			8.25	7 days' notice
Britannia	7.25	8.25	8.25	7 days' notice, 8.50 2 months' notice
Cardiff	8.00	8.75	—	
	*8.50	—	—	*Share account balance £10,000 and over
Catholic	7.50	8.50	8.50	6-month deposits. Monthly income
Century (Edinburgh)	7.75	—	8.75	2/3 years. Details supplied
Chelsea	7.25	8.25	8.75	Immed. withdrawal (int. pen.) or 1 mth.'s not.
Cheltenham and Gloucester	7.25	8.25	8.25	Gold account £1000 + no notice no penalties. Monthly interest. £5.00 minimum, 8.57 if compounded
Citizens Regency	7.50	9.00	8.40	plus account no penalty. Double option 8.50
City of London (The)	7.50	8.25	9.00	6 months' notice—no penalty
Derbyshire	7.25	8.50	9.00	8.25 1 month's not., 7.75-8.60 3 months' notice
Greenwich	7.25	8.50	8.50	(max.) at 28 days' noticeNpenalty
Guardian	7.50	—	8.75	3 months, £1,000 minimum
Halifax	7.25	8.25	8.25	Xtra Interest. 7 days' notice, no penalty
			8.50	Xtra Interest PLUS 28 days' notice, no penalty
			8.75	Special Inv. Cert., 3 months' notice/penalty
Heart of England	7.25	8.50	9.00	8.25 5-day Notice Account
Hemel Hempstead	7.25	8.50	8.75	3 year, 8.50 28 days
Hendon	8.25	—	8.75	3 months
Lambeth	7.50	8.75	9.10	28 days plus loss of interest, 8.25 3 months
Leamington Spa	7.35	—	8.50	Top Ten. 8.75 Lion Share
Leeds and Holbeck	7.25	9.00	9.00	2 years with monthly int. 8.50 1 month's pen.
Leeds Permanent	7.25	8.25	8.50	Ex. Int. £500 min., 28 days' notice/penalty
Leicester	7.25	8.25	8.25	3 months
London and Grosvenor	7.75	—	8.25	High Yield (1 month)
London Permanent	7.75	—	8.75	1-year term. Imm. wdl. with loss of 1% bonus
Midshires	7.25	8.25	8.25	7 days' notice. £500 minimum
Mornington	8.50	8.50	—	
National Counties	7.25	8.55	9.10	28 days' notice £500 minimum
National and Provincial	7.25	8.25	8.50	1 month's notice plus monthly income
Nationwide	7.25	8.25	8.75	Capital Bonds. 3 yrs., £500 min. wdl. with 90 days' loss or notice. Bonus account 8.25, £500 minimum withdwl. with 28 days' loss or notice
Newcastle	7.25	8.50	8.75	4 years, 8.25 28 days' notice, or on demand with penalty, 8.50 90 days' notice, or on demand with penalty
New Cross	8.25	—	8.25-8.75	on share accounts depending on minimum balance over 6 months
Northern Rock	7.25	8.50	8.25	7-Day Moneyspinner. 7 days' not. wdl. no pen.
			8.75	Premium Moneyspinner on demand. 28 days' loss of interest on amount wdn.
Norwich	7.25	8.50	8.50	City Account, immed. withdls. with no penalty
Paddington	7.75	9.25	8.75	1 mth.'s not., or 1 mth.'s int. loss on sums wdn.
Peckham	8.00	—	8.25	1 month, 9.00 3 months' notice (no penalty)
Portman	7.25	8.75	8.75	Two month's notice, 8.25 no notice
Portsmouth	7.55	9.05	9.40	5 years, 9.00 6 months, 8.50 1 month
Property Owners	7.75	9.00	8.75	28 days, 8.75 3 months, 8.50 monthly income
Scarborough	7.25	8.50	8.25	Money Care and Free Life Insurance
Skipton	7.25	8.50	8.25	£1,000-£4,999 Sovereign, no penalties, no notice
			8.50	£5,000+, no penalties, no notice
Stroud	7.25	8.50	8.85	3 months, 8.25 1 month no penalty with notice
Sussex County	7.25	9.00	8.25	7 days' notice, 8.50 Sx. Sh., 7.50 Sh. a/c £2,500+
Sussex Mutual	7.50	9.00	8.75	1 month's notice/immed. with 28 days' penalty
Thrift	8.15	—	10.15	5 years' term. Other accounts available
Town and Country	7.25	8.25	8.75	3 yrs. ½-yrly. int. Monthly income wdl. facility
			8.50	28 days' notice or imm. withdrwl. with penalty
Wessex	8.30	—	—	
Woolwich	7.25	8.25	8.25	7 days' notice
			8.50	90 days' notice or on demand (interest pen.)
			9.00	2-year term, or 90 days' penalty (interest pen.)
Yorkshire	7.25	8.25	8.50	Diamond Key, 60 days' penalty or 2 months' notice without penalty

All these rates are after basic rate tax liability has been settled on behalf of the investor.

Tom Whyte pulls out of Thames Inv. Miami deal

BY DAVID DODWELL

Mr Tom Whyte, the Bermuda-based financier, is not to proceed with his planned $20m (£13.8m) purchase of a property in Miami, Florida, from Thames Investment and Securities, the ailing property company which was among the first companies to be launched on London's Unlisted Securities Market.

The deal was to have played an important part in the reconstruction of Thames, which in the year to May 31 1983 reported net losses of £4.93m. The company's shares were suspended early in October at 80p.

In a statement to the Stock Exchange, Mr Anthony Game, a director of Thames, said the company had been informed on December 23 that Mr Whyte had pulled out of the deal.

The statement added that the company was "considering its position and is consulting its legal advisers as to the remedies it may have against Mr Whyte."

In his New York office, Mr Whyte simply said that certain conditions built into the deal had not been fulfilled. He did not disclose what these conditions were. It is understood that one condition was that he himself should agree a first mortgage facility for the purchase. No agreement was reached on the terms of this first mortgage.

Mr Benjamin is understood to have left Thames in order to manage the Miami project in return for which he was to obtain a 20 per cent share in the rental income from the property, and a management fee of $160,000 a year.

However, speaking from his country home outside London yesterday, Mr Benjamin said that he had been back in England since late in November, that no money had been paid to him, and that he was "waiting for some facts" about the situation from Mr Whyte.

Mr Whyte said that Mr Benjamin had been informed that he would not after all be asked to manage the project before any decision had been taken to completely withdraw. He said that he had been acting under legal advice on the deal.

Thames had been looking to the sale of its Miami property as an important step towards resolving its current problems, but no one was willing yesterday to comment on the implications of the collapse of the deal.

Singer and Friedlander prospectus next week

THE CONFIDENTIAL sale prospectus on Singer and Friedlander, the merchant bank, will go out to interested buyers next week, S. G. Warburg, which is handling the sale for European Ferries, said yesterday.

Warburg reports considerable buying interest from both UK and foreign financial institutions, some of them American. However Mr Anthony Solomons, Singer's chairman, has made it clear that he favours a UK buyer so that the bank can remain a member of the Accepting Houses Committee. Estimates of the likely value of the deal range from £50m to £70m.

● A licensed deposit taker also appears to be on the market following the decision by P & O to investigate the possible sale of TCB (previously known as Twentieth Century Banking) which it acquired in 1974 in its takeover of the Bovis housebuilding group. Following several approaches from interested parties P & O has assigned Morgan Grenfell to handle the inquiries. Should P & O decide to go ahead with such a deal it could be worth some £60m.

Morgan Grenfell said yesterday that it had already received a large number of inquiries for TCB, predominantly from the U.S. although it said that there had been serious approaches from four or five UK companies. So far the interest has come either from banks or financial institutions. Interested bidders have until January 27 to make firm proposals.

Last year TCB increased its pre-tax profits from £3.77m to £5.05m on loan outstandings of £113m. Pre-tax profits are expected to top the £6m mark for 1983.

Stavert Zigomala

Pre-tax profits of Stavert Zigomala, furniture wholesaler and investment company, improved from £18,595 to £50,471 in the six months to September 30 1983. For the last full year a profit of £41,126 was achieved and a dividend of 6.72p, against 6.5p net was paid.

The directors said then that the modest increase in dividend should prove maintainable and there was every reason to hope that 1984 should produce a slightly improved distribution.

NEW LIFE BUSINESS

Change to MIRAS gives boost to Life Association of Scotland

GOOD NEW life business figures for 1983 are reported by the Life Association of Scotland, a member of the Dutch insurance group Nationale Nederlanden Group.

New annual premiums in the UK rose by 30 per cent from £5.6m to £7.3m, thanks to the impact of MIRAS—the new method of crediting tax relief on mortgage interest. Annual premiums on mortgage-related business nearly trebled from £1.5m to £4m accounting for the whole of the total increase in UK annual premium business.

Self-employed and executive pensions business remained static during the year, but the group's new unit-linked business moved ahead strongly. New linked annual premiums amounted to £500,000 against £65,000 in 1982, while single premiums nearly doubled from £4m to £7m accounting for the increase in total single premium business in the UK—up from £10.8m to £14.5m.

The group's managed pension funds LASPEN doubled in size during 1983 to £24m.

Overall the group's total new business showed premium income advancing from £36.8m in 1982 to £43m.

● A satisfactory year for new life business is reported by Colonial Mutual Group, where total new premiums rose by nearly 30 per cent from £20.7m to £26.5m.

New annual premiums on conventional life business increased by 20 per cent from £12.2m to £14.6m. The whole of this growth came from the sale of mortgage-related contracts thanks to MIRAS, the annual premiums rising more than three times from £2m to £6.5m. New single premiums on conventional business advanced by one-fifth from £6.3m to £7.6m.

New annual and single premiums on the group's pension business showed a near 30 per cent improvement from £1.3m to £1.6m.

The first full year of the group's marketing of unit-linked individual contracts through its subsidiary Capital Life, showed a 30 per cent rise in annual premiums from £1m to £1.3m. Single premium business started during 1983 brought in £1.5m, the bulk of which came from sales of the Guaranteed Growth Bond launched in April.

● The Scottish Mutual Assurance Society reported record new life business in its centenary year just finished, with new annual premium income up by two-thirds from £8.6m to £14.36m. Much of this increase came from sales of mortgage-related contracts following the introduction of MIRAS, with annual premiums more than doubling from £4.36m to £9.21m.

Individual pensions business also did well, improving by three-quarters from £1.69m to £2.98m. In contrast, however, the new annual premiums from group pensions business dropped from £2.56m to £2.15m.

Single premiums fell in 1983 from £12.19m to £7.76m, the 1983 figures reflecting the buoyant income bond business done that year. Single premiums on individual pensions business were up by nearly 150 per cent from £1.25m to £3.05m.

Results due next week

Company	Announcement due	Dividend (p)* Last year Int.	Final	This year Int.
FINAL DIVIDENDS				
TSB Gilt Fund	*Tuesday*	6.59	12.80	6.15
Watson and Philip	Friday	1.71429	4.0	1 9
Winterbottom Energy Trust	Tuesday	0.2†	0.45†	0 2†
INTERIM DIVIDENDS				
AIM Group	Tuesday	1.9	3.85	
Delmar Group	Tuesday	—	—	
Electronic Rentals	Thursday	1.1667	2.0655	
Hollas Group	Wednesday	1.0	1.0	
Howden Group	Thursday	0.73	1 69	
Mountleigh Group	Wednesday	.80	4.0	
Radiant Metal Finishing	*Wednesday*	—	1.0	
TR City of London Trust	Wednesday	1.25†	2.50†	

*Dividends are shown net pence per share and are adjusted for any intervening scrip issue. † Totals of quarterly dividends.

Granville & Co. Limited

Licensed Dealer in Securities

27/28 Lovat Lane London EC3R 8EB Telephone 01-621 1212

Over-the-Counter Market

1982-83 High	Low	Company	Price	Change	Gross div.(p)	Yield %	P/E Actual	Fully taxed
142	120	Ass. Brit. Ind. Ord.	123	—	6.4	5.2	7.2	9.4
158	117	Ass. Brit. Ind. CULS	135	—	10.0	7.4	—	—
78	57	Airsprung Group	75	—	6.1	8.1	21.4	21.4
46	21	Armitage & Rhodes	23	—	—	—	—	—
270	95½	Bardon Hill	270	+ 2	7.2	2.7	11.0	22.4
54	53	Bray Technologies	54	—	2.7	5.0	9.7	10.6
200	200	CCL Ordinary	200	—	5.0	2.5	4.5	6.4
151	100	CCL 11pc Conv. Pref.	143xd	—	15.7	11.0	—	—
270	100	Cindico Group	100	—	17.6	17.6	—	—
86	45	Deborah Services	52	—	6.0	11.5	27.8	45.2
182	77	Frank Horsell	162	—	—	—	7.6	12.6
171	75½	Frank Horsell Pr Ord 87	170	—	8.7	5.1	7.1	11.7
83	39	Frederick Parker	39	—	7.1	18.2	2.4	3.9
55	32	George Blair	33	—	—	—	—	—
100	50	Ind. Precision Castings	50	—	7.3	14.6	13.9	17.2
226	100	Isis Conv. Pref.	226	—	17.1	7.5	—	—
120	47	*Jackson Group*	120	+ 1	4.5	3.8	6.3	12.3
237	111	James Burrough	235	—	11.4	4.9	13.0	13.4
300	275	Minihouse Holding NV	300	—	4.0	1 3	22.5	22.5
260	120	Robert Jenkins	120	—	20.0	16.6	13.3	9.4
83	54	Scruttons "A"	60	—	5.7	9.5	10.0	7 2
167	76	Torday & Carlisle	76	—	2.9	3.8	—	—
435	365	Trevian Holdings	435	—	—	—	6.8	8.1
23	17	Unilock Holdings	17	—	1.0	5.8	11.1	16.2
90	83	Walter Alexander	87	—	6.8	7.8	7.6	10.1
276	214	W. S. Yeates	240	—	17.1	7.1	3.7	7.7

River and Mercantile switching management

On March 31 1984, River and Mercantile Trust will terminate its agreement with Rivermoor Management Services for the provision of investment management and administration services, and enter into a management contract with Percy Tarbutt & Company, effective from the following day.

Rivermoor was founded in 1974 by the company, London Trust and Moorside Trust. London is moving to another investment management group not later than March 31 and Moorside has been taken over by Guinness Peat, so the River directors decided to terminate the Rivermoor agreement. They have agreed with London to wind down the activities of Rivermoor, and London will announce its future plans in due course.

The appointment of Tarbutt enables River's present independent policy to be maintained with minimum disruption, the directors explain. Tarbutt provides investment management services to River Plate and General Investment, with which River has had a long association.

Mr Piers Godfrey, who has been responsible for the investment management of the company, will continue in that role. He will also be appointed to the board of Tarbutt.

River's agreement with Tarbutt is on a three-year rolling basis. It also provides an option for River to acquire up to 33 per cent of the capital of Tarbutt, exercisable at a fixed price at any time over the next ten years.

MINING NEWS

Ten die in rockbursts at S. African gold mines

TWO UNDERGROUND disasters with the loss of 10 lives marred the Christmas period at the South African gold mines. The Consolidated Gold Fields group's Driefontein Consolidated and Doornfontein mines each suffered a rockburst, a virtual explosion of rock brought about at depth by the extreme pressures of the surrounding strata.

At the big Driefontein property a major rockburst occurred on December 27 over *an extensive area of the No. 5A* sub-vertical shaft at a depth of some 2,000 metres (over one mile) below surface. It caused the deaths of five men and injured 57 others.

So far, 30 of the injured miners are still in hospital. The men who died were all black miners and their names are being withheld until next of kin have been informed.

A similar, although less severe, rockburst occurred on December 24 at Doornfontein. It was in a stope (working place) in the No 3 shaft area at a *depth of 2,665m. All five of the* black miners present at the time were killed.

BANK RETURN

	Wednesday December 28 1983	Increase (+) or Decrease (—) for week
BANKING DEPARTMENT		
Liabilities	£	£
Capital	14,553,000	—
Public Deposits	51,166,476	+ 7,535,531
Bankers Deposits	740,862,536	— 14,991,527
Reserve and other Accounts	1,411,432,705	— 244,185,525
	2,218,054,515	— 251,641,521
Assets		
Government Securities	494,658,485	+ 17,325,000
Advance & other Accounts	587,568,240	— 369,299,155
Premises Eqipment & other Secs	1,128,611,816	+ 98,985,365
Notes	7,027,469	+ 1,132,751
Coin	168,505	+ 14,497
	2,218,034,515	— 251,641,531
ISSUE DEPARTMENT		
Liabilities	£	£
Notes Issued	12,630,000,000	— 90,000,000
in Circulation	12,622,972,531	— 91,132,751
in Banking Department	7,027,469	+ 1,132,751
Assets		
Government Debt	11,015,100	—
Other Government Securities	4,922,620,717	+ 135,737,978
Other Securities	7,696,364,183	— 225,737,978
	12,630,000,000	— 90,000,000

Take-over bids and deals

Post-Christmas activity in the bids and deals sector was at a low ebb, but a few significant deals emerged. Burton announced the £5.5m acquisition of 93 Harry Fenton menswear shops from Combined English Stores and Logica purchased Intelligent Technologies International, a California-based software designer for £6m.

Elsewhere, Hales Properties announced that it was in discussions with an unnamed party which could lead to an offer being made for the company.

The prospects for survival of troubled housebuilding concern Crouch Group became significantly brighter when it was announced that Federated Housing is to increase its holding to 48.8 per cent and take over Crouch's residential housing interests. The deal will reduce Crouch's borrowings and allow it to continue with housebuilding on a reduced scale. Federated chairman Mr Peter Meyer will become chairman of Crouch and the Takeover Panel has agreed to waive the requirement for Mr Meyer to make a bid for the outstanding Crouch equity.

Company bid for	Value of bid per share**	Market price**	Price before bid	Value of bid £m's**	Bidder
Prices in pence unless otherwise indicated.					
Allnatt Lon Props	245†	258	220	98.00	Slough Estates
Ault & Wiborg	46*	44	33††	4.70	Sun Chemical
Bishops Grp Ord	291*	280	275	5.09	Booker McConnell
Bishops Grp A NV	221*	210	245	7.74	Booker McConnell
Brkly & Hay Hill	9	9½	10½	2.61	Promotions House
Danish Bacon 'A'	115*	105	110	1.98	Ess-Food
Eagle Star	700*	694	528	968.27	BAT Inds
Edith	57*	57	47	55.95	Invs in Industry
EMC¶	49*	46	48	4.90	Hillsdown Hldgs
Francis Parker	50*	48	52	12.88	Tarmac Rdstone
Guildhall Prop	162†	157	132	0.99	Exent
Helical Bar	65*‡	60	75	1.89	*Slough Estates*
Hoover (UK) Ord	240*§	237	215	18.34	Hoover (U.S.)
Hoover (UK) "A"	235*§	232	205	28.69	Hoover (U.S.)
Ingram (H.)	65*§	245	80	1.02	Wasskon
Int Paint	205§	200	162	18.43	Courtaulds
London Brick	*120**	*137*	*104*	*154.03*	Hanson Trust
Maynards	250*§	285	198	6.34	Lewis E. Cartier
Miller (F.)	36	38	42	5.18	Nottingham Mnfg
Nightwise	298½*§	190	200	2.57	Crosby House
Rosedimond Inc	55½	56	50	3.32	English Assocn
Rosedimond Cap	233	220	185	6.20	English Assocn
Russel Bros¶	50*	65	115	0.72	Mr N. Phoenix
Stenhouse	142§§	131	106	53.90	Reed Stenhse 'A'
Streeters	20*§	22	38½	1.15	Costain
Sunlight Serv	285†	215	192	34.83	Brengreen Hldgs
Tecalemit	43½§§	50	29	14.87	Siebe Gorman
Telfos	40*§	50	38	2.08	Plantation and Gen Ivs
Trust Securities	15*	54	46	4.60	Stockley Dev.
Twinlock	71*§	70	60††	15.17	Accu World Cpn
UBM Group	140§§	125½	99	82.09	Norcros

* All cash offer. † Cash alternative. ‡ Partial bid. § For capital not already held. ¶ Unconditional. ‖ Loan stock alternative. ** Based on 30/12/83. †† At suspension. ‡‡ Estimated. §§ Shares and cash.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Godwin Electrical	Aug	220	(128)	—	(—)	—	(—)
Radio Clyde	Sept	483	(76)	—	(—)	—	(—)

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Dollonds Photo	July	143L	(216)L	—	(—)
Enrgy Fin Gn Tst	Sept	251	(279)	0.6	(0.6)
Ldn Priv Health	Sept	12L	(8)	—	(—)
Ocean Wilsons	June	1,770	(1,790)	—†	(0.75)
RTD Group	Aug	61L‡	(96)L‡	—	(—)

(Figures in parentheses are for the corresponding period.)

* Dividends are shown net pence per share except where otherwise stated. † Payments of dividends temporarily suspended. ‡ In I£. L Loss.

Offers for sale, placings and introductions

Radio Clyde intends to join the USM via a placing of 5 per cent of issued non voting capital.

BRMB considers joining the USM next year.

Royal Borough of Kensington and Chelsea—Placing of 11.15 per cent redeemable stock 2006, issued at £100 per cent.

Hanson defends £170m bid for London Brick

By David Dodwell

Lord Hanson, the chairman of Hanson Trust, yesterday defended his company's £170m bid for London Brick, pointing out it represented an 85 per cent premium over the company's last *reported net tangible assets*.

In his formal offer document to London Brick shareholders, Lord Hanson claimed the 120p a share offer "places a full value on the company." However, on the London stock market, London Brick's shares remained firmly above the offer price, rising 4p to end the day at 137p, indicating that many market analysts were expecting Hanson to improve its original bid, or were looking for a second bidder to emerge.

Mr Jeremy Rowe, chairman of London Brick, last night attacked the offer as "totally inadequate," and said he was "strongly advising" shareholders to take no action.

In defence of its current bid price, Hanson also pointed out that London Brick's share price had risen steadily from 78p since August, climbing to 86p in October when Hanson's stake—then 9.4 per cent—was disclosed.

"Even after a sustained period of active bid speculation, our offer of 120p represented a 15.4 per cent premium over the 104p share price on the day of the bid announcement," Lord Hanson said in a statement to *shareholders*.

He attacked London Brick's profits record as "at best... unexciting," and claimed that the *improvement forecast for 1983 was likely to be as much attributable to "once-and-for-all" stock profits, and the benefits of recent rationalisation, as to any improvement in the company's underlying profitability.*

"One must ask whether, against the background of the past profit record and the fluctuations in the fletton brick cycle, profit growth will be sustained," he noted.

He also attacked London Brick's evidence to the Monopolies Commission, which earlier this year investigated London Brick's own bid for Ibstock Johnsen, a leading manufacturer of non-fletton facing bricks. He asked how the London Brick board could set about expansion into non-fletton brick making by any other means than acquisition when it had argued to the Commission that "there was no other feasible way in which it could obtain a significant share of the non-fletton facings market."

In contrast, Lord Hanson pointed to evidence which it presented to the Commission claiming that expansion without acquisition "would be a long and costly business," which would lead to "considerable additional capacity in an industry which already suffered from excess capacity because of the decline in demand for its products."

Hanson, which has since its *acquisition of Butterley in 1965* steadily expanded its brick making interests mainly through acquisition, commented on London Brick's bid for Ibstock, that "there was no realistic scope for entering the non-fletton market on a significant scale other than by acquiring Ibstock."

Lord Hanson suggested yesterday that acquisition of London Brick by Hanson would achieve the same end by merging this *fletton brick maker with Butterley, its own non-fletton brick manufacturer.*

LADBROKE INDEX
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Promising start by Leeds Group

THE CURRENT year at Leeds Group, formerly Leeds & District *Dyers and Finishers*, has opened with some promise, reports Mr Alwyne Mortimer, the chairman, in his last annual report before handing over the chair to Mr Gordon Lee.

However, Mr Mortimer says the current year will show a further decline in investment income, as interest rates are lower and group liquid resources are invested in projects for the future. Until its new subsidiaries start to contribute to profits, the group will continue to look to the branches of Leeds Dyers to maintain its momentum.

Of the £1.36m spent on fixed assets during the year to the end of September, 1983, less than one-third was incurred by Leeds Dyers. The bulk of expenditure has been in other areas where future profits are confidently expected to complement textile earnings.

However, the group's substantial liquidity has been maintained in spite of this outlay and the redemption of the loan stock.

As reported on December 7, group pre-tax profits for the year 1982-83 rose from £1.1m to £1.24m after an improvement in the second half.

Leeds Leasing continues to develop according to plan and further growth is being looked for in the current year. Mr Mortimer points out, however, that the costs of leasing are inevitably front-loaded so it will be 1985 before the company starts to see profit, although projections are encouraging.

Leeds Energy now consists of the group's 20 per cent holding in the Alpha Energy Partnership, together with certain interests in Texas and West Virginia. The Texas interests are small, but are already starting to produce income and as the group gains confidence in this area, it will consider further expenditure.

The original investment in West Virginia, however, continues to be disappointing. The first well, exclusively gas, has been affected by substantial over-supply in the U.S., and although this well is now back on production, the group has written down its value by 50 per cent in the accounts.

The other four wells have both oil and gas reserves and are now connected to the pipe line of a more reliable utility company with which the group has a satisfactory sales contract, the chairman states. Production has only started since the year end, and all these four wells will be reviewed next September in the light of their performance in the current year.

Since September, Alpha Energy Partnership has drilled a number of wells with varying results. As the group moves from the exploratory well stage to each prospect, and starts to drill the development wells, both its costs and risks decrease and it can start to expect a more regular flow of income, Mr Mortimer explains.

"We are hopeful that this stage will be reached during 1984 so that, together with our partners, we can start to plan our future in energy with confidence," he adds.

Fenner faces 'challenging year'

No firm indication has yet appeared to suggest that the mechanical engineering sector of J. H. Fenner (Holdings) is about to move strongly out of its trough, says Mr P. W. Barker, chairman, in his annual statement.

This being so, he says that it looks as if another challenging year of trading lies ahead for the home companies and, he *points out, will inhibit the company's* overall rate of advance towards higher levels of profitability. The company is a power transmission engineer.

Analysing prospects worldwide, he says that North America is benefiting from the strong recovery and the economies of South Africa and Australia are showing signs of improvement. Fenner India is also expected to have another good year. He adds that in Europe there is some evidence of strengthening demand.

Following the cost cutting measures and new product developments made by the company, he says that the pace of improvement in the UK depends to a large extent on the strength of sterling, interest rate movements, and the political priorities which the Government establishes in its management of the economy.

On November 29 Fenner reported its full year results showing a fall in pre-tax profits from £8.11m to £4.6m. In an effort to conserve cash it cut the final dividend from 5.37p to 3p for a total of 5p (9p).

At September 3, cash at bank and in hand was £5.88m (£2.54m). Creditors, being *amounts fall due within one* year, were £43.79m against £42m; amounts due after one year were £28.59m (£23.29m). Shareholders funds stood at £53.32m compared with £50.28m.

LONDON TRADED OPTIONS

Option		Calls Jan.	Calls Apr.	Calls July	Puts Jan.	Puts Apr.	Puts July
B.P. (*405)	360	48	—	—	3	—	—
	390	21	36	44	5	16	22
	420	5	20	30	20	32	40
	460	1	9	13	56	58	72
Cons. Gold (*494)	460	47	62	77	5	17	25
	500	20	38	54	26	38	50
	550	6	23	33	65	72	84
	600	1½	10	—	110	112	—
	650	1	4	—	160	160	—
Courtaulds (*123)	75	48	—	—	1	—	—
	85	38	—	—	1	—	—
	90	—	36	40	—	1	2
	95	28	—	—	1	—	—
	100	—	27	32	—	3	4
	110	15	18	23	1	4	6
	120	6	10	15	4	8	10
	130	2½	5	10	10	14	16
Com. Union (*178)	140	41	45	50	1	1½	3
	160	21	28	32	1	6	8
	180	7	14	20	8	16	19
	200	1½	7½	10	24	28	32
G.E.C. (*178)	160	20	30	38	2	5	8
	180	7	17	24	10	14	16
	200	2	8	14	24	26	28
	220	1	3	7	44	44	44
	240	1	2	—	—	—	—
	260	1	—	—	—	—	—
Grand Met. (*330)	300	33	40	49	1½	5	9
	330	9	20	30	9	17	23
	360	2	10	18	33	38	43
	390	1	4	—	63	68	—
I.C.I. (*636)	420	220	—	—	1½	—	—
	460	180	—	—	2	—	—
	500	140	144	—	2	2	—
	550	90	94	102	2	5	9
	600	44	52	62	5	18	24
	650	8	22	34	24	44	52
Land Secur. (*270)	214	58	64	72	1	2	4
	236	36	41	48	2½	2	4
	240	32	38	46	2	5	8
	257	18	25	31	6	9	14
	260	15	23	30	4½	10	16
	280	5	12	19	17	23	26
Marks & Sp. (*215)	180	38	43	—	2	2	—
	200	19	24	27	2	5	6
	220	3	11	14	7	13	16
Shell Trans. (*568)	460	112	—	—	1	—	—
	500	72	83	90	1½	5	12
	550	30	43	54	9	18	24
	600	3	20	30	38	48	65
	650	1½	4	—	84	92	—

Option		Calls Feb.	Calls May	Calls Aug.	Puts Feb.	Puts May	Puts Aug.
Barclays (*464)	420	72	77	—	3	6	—
	460	37	42	60	9	18	23
	500	18	25	37	25	40	46
	550	3	11	—	—	77	—
Imperial Gp. (*142)	110	35	37	—	0¾	1	—
	120	25	27	—	1	2	—
	130	15	18	20	2	4	6
	140	7½	10	12	4½	7	9
LASMO (*296)	240	65	72	80	5	8	11
	260	47	55	63	8	15	20
	280	30	40	47	16	22	28
	300	12	25	—	25	33	—
	330	4	12	—	45	48	—
	350	1½	4	—	—	—	—
	390	0½	1	—	—	—	—
Lonrho (*107)	90	20	21	23	0½	1½	3½
	100	11	25½	15½	2	4½	5½
	110	4½	7	9	5½	9	10½
P & O. (*249)	180	71	—	—	2	—	—
	200	52	58	—	2	2	—
	220	34	42	—	3	5	—
	240	19	29	37	6	10	14
	260	8	18	26	18	22	26
Racal (*210)	180	36	46	54	2	4	6
	200	22	32	38	7	10	14
	220	8	18	24	17	20	24
	230	3	10	—	—	—	—
	260	1	5	—	—	—	—
	275	1	—	—	—	—	—
R.T.Z. (*594)	483	120	—	—	—	—	—
	500	103	—	—	1	—	—
	533	77	—	—	3	—	—
	550	64	80	90	10	22	28
	583	37	—	—	18	—	—
	600	27	44	60	28	42	52
	650	10	22	—	55	70	—
	700	3	10	—	—	—	—
Vaal Reefs (*$111)	90	23½	26	28	1½	3	4½
	100	15½	19	20	4	7	5½
	110	10	14	14½	7½	11	12½
	120	4½	10	—	14½	18	—
	130	2½	6	—	22½	27	—
	140	1	3	—	—	—	—

Option		Calls Mar.	Calls June	Calls Sep.	Puts Mar.	Puts June	Puts Sep.
Beecham (*305)	300	27	35	42	9	16	18
	330	10	17	25	22	33	35
	360	3	—	—	52	—	—
	385	1½	—	—	82	—	—
[illegible] (*306)	300	18	23	32	10	14	20
	330	4	8	12	30	33	36
De Beers ($*745)	700	70	85	100	18	25	35
	750	40	55	60	40	55	65
	800	22	34	—	70	80	—
	850	8	—	—	115	120	—
	900	3	—	—	—	—	—
Guest Keen (*177)	160	25	28	31	4	6	10
	180	12	16	19	11	16	18
	200	4	—	—	25	—	—
Hanson (*258)	220	48	48	—	2	5	—
	240	26	30	38	6	11	14
	260	14	20	27	14	21	26
	280	7	13	18	33	35	38
Tesco (*166)	160	14	19	22	6	7	9
	180	3	8	11	18	21	23

Dec. 30. Total Contracts 1,601. Calls 901. Puts 700.
*Underlying security price

Booming lives and letters in 1983

BY ANTHONY CURTIS

Patience as much as literary skill is required to write a biography, and it is this same virtue which is demanded of the readers of modern biography. Any life however eminent or adventurous has its dull patches and the modern biographer rarely believes that his readers should be spared them.

Patience of another kind is needed in waiting for some biographies to appear. Are we ever going to get an authorised biography of T. S. Eliot? Probably not in the lifetimes of the people to whom such a book would really matter, those who read the Quartets as they came out. Then there is the notorious case of G. B. Shaw. Much as one may admire Michael Holroyd's amazing industry, is not it time he produced something for us to read?

Occasionally—patience is rewarded: rumour has it that Ann Thwaite's long labours over Sir Edmund Gosse will come to fruition in 1984, and that the second part of Hilary Spurling's life of Ivy Compton-Burnett will at last be joining part one, published in 1974.

Meanwhile this year has seen the completion of some outstanding biographical labours in history, politics and literature. First that come to mind, the two last volumes of **Pepys' Diary: X and XI, the Index and Companion**, a rich compendium of Restoration lives (Bell and Hyman, £35.00, the set) and another volume of Martin Gilbert's masterly life of Churchill, **Finest Hour: 1939-1941** (Heinemann, £15.95), as well as a final volume, after a long hiatus, of Alan Bullock's life of the Labour statesman, **Ernest Bevin: Foreign Secretary** (Heinemann, £30.00) unfolding in lucid style the complexities of the man and his post-war foreign policy.

Some biographies replace previous ones by including material hitherto suppressed or not available. Thus this year Robert Skidlesky's new life of Keynes, of which the first volume was published, **Hope Betrayed 1883-1920** (Macmillan, £14.95), seems set fair to take over from Roy Harrod, as does Kenneth Rose's **King George V** from Harold Nicolson. At the same time Elizabeth Longford gave us a life of the present Queen, **Elizabeth R.** (Weidenfeld & Nicolson, £10.95), Christopher Warwick one of **Princess Margaret** (Weidenfeld & Nicolson, £8.95) while Princess Alice, Duchess of Gloucester published her **Memoirs** (Collins, £10.95). J. M. Robinson produced a composite biography of **The Dukes of Norfolk** (Oxford, £12.50) and Jasper Ridley a double biography of two Tudor bigwigs, **The Statesman and the Fanatic: Thomas Wolsey and Thomas More** (Constable, £12.50), and John Ehrman continued his definitive life of **The Younger Pitt** (Constable, £20.00).

The centenary of Albert **Prince Consort** was celebrated by Robert Rhodes James in a new life (Hamish Hamilton, £15.00). Another untimely death, that of John F. Kennedy 20 years ago in Dallas, produced a spate of memorial volumes by those with first-hand experience of Camelot, including William Manchester's **One Brief Shining Hour** (Michael Joseph, £14.95), as well as works aimed to destroy the myth like Gary Wills's **The Kennedys: A Shattered Illusion** (Orbis, £8.95).

There were ugly revelations too in **The Years of Lyndon Johnson: The Path to Power** by Robert A. Caro (Collins, £15.00) and revealing ones in **The Diary of Hugh Gaitskell 1945-56** (Jonathan Cape, £25). Michael Edwardes took us behind the scenes at British Leyland in **Back From the Brink** (Collins, £9.95). Peter Hall took us backstage at the National Theatre in his **Diaries** (Hamish Hamilton, £12.95) and Harold Evans backstage at New Printing House Square in **Good Times, Bad Times** (Weidenfeld & Nicolson, £11.95).

Two journalists probed the mysterious death of an Italian banker under Blackfriars Bridge, Rupert Cornwell in **God's Banker: An Account of the Life and Death of Robert Calvi** (Victor Gollancz, £8.95) and Larry Gurwin in **The Calvi Affair: Death of a Banker** (Macmillan, £8.95). Another journalist this time of Greek origin Nicolas Gage tried in **Eleni** (Collins, £9.95) to come to terms with his mother's death in the Civil War and to track down her killers. Nigel Hamilton produced a further massive instalment in the life of **Monty: Master of the Battlefield 1942-44** (Hamish Hamilton, £12.95).

Roy Hattersley recalled **A Yorkshire Boyhood** (Chatto & Windus, £8.95), Philip Oakes vividly remembered his national service at the end of the war in **At the Jazz Band Ball: A Memory of the 1950s** (André Deutsch, £8.95). Susan Chitty edited the memoirs of her mother Antonia White, **Once in May** (Virago, £10.95), David Pryce-Jones those of Cyril Connolly (Collins, £12.50), and A. J. P. Taylor gave us **A Personal History** (Hamish Hamilton, £9.95).

There proved, surprisingly, still to be a few sexual fireworks left in the Bloomsbury box. These were ignited, to gasps all round, by Victoria Glendinning in **Vita** (Weidenfeld and Nicolson £12.50), while Frances Spalding wrote about the more likeable personality of **Vanessa Bell** (Weidenfeld and Nicolson, £12.95). Books concerning some other members of that long-running literary show included **Julia: A Portrait of Julia Strachey by Herself and Frances Partridge** (Gollancz, £10.95) and E. M. Forster whose first volume of **Selected Letters 1879-1920** edited by P. N. Furbank and Mary Lago (Collins £15.95) revealed the novelist's attitudes while he was an undergraduate at Cambridge. Mary Logan Smith (as was) created a scandal by leaving her first husband and two children to elope to Italy with Bernard Berenson; all of this was explained in **Mary Berenson: A Self Portrait from her Letters and Diaries** edited by Barbara Strachey and Jayne Samuels (Victor Gollancz £12.95).

Major biographies of authors included **Jean-Jacques: The Early Life and Work of Rousseau** by Maurice Cranston (Allen Lane, £14.95), **Pasternak** by Ronald Hingley (Weidenfeld and Nicolson, £12.95). **Pierre Loti** by Lesley Blanch (Collins £12.50). **Inside Outsider: The Life and Times of Colin McInnes** by Tony Gould (Chatto and Windus, £12.50), **Colette** by Joanna Richardson (Methuen, £12.95), **Robert Lowell** by Ian Hamilton (Faber, £12.50), **The Brothers Singer** by Clive Sinclair (Allison and Busby £8.95)—to name but a few. Observations of interest to a future biographer were to be found in **The Other Man: Conversations with Graham Greene** by Marie Francoise Allain (Bodley Head, £6.95). One of Greene's mentors, **Dostoevsky** was the subject of a penetrating study by the professor of Poetry at Oxford, John Jones (Oxford, £15.00).

Nineteen-eighty three was a good year for publishing the lives of dons and schoolmasters. Michael Cox gave us an informal portrait of the antiquarian Provost of King's and Eton, **M. R. James** (Oxford, £14.50). Ian Anstruther a biography of that eccentric Cambridge don **Oscar Browning** (John Murray, £12.50) while Jonathan Croall told all about **Neil of Summerhill: The Permanent Rebel** (Routledge £12.95) and Daphne Rae all about herself in **A World Apart** (Lutterworth Press, £8.95).

Sir Michael Redgrave heads a strong cast of actors who either wrote biographies or had biographies written about them with his **In My Mind's Eye** (Weidenfeld & Nicolson £9.95). Dirk Bogarde with **An Orderly Man** (Chatto & Windus £8.95), Jill Bennett and Suzanne Goodwin with Godfrey **A Special Time Remembered** (Hodder & Stoughton £7.95) and Shirley MacLaine in **Out on a Limb** (Elm Tree Books £8.95) all made memorable appearances, as did Rupert Doone in Robert Medley's **Drawn From The Life** (Faber £12.50).

There was too much to d[illegible] the nostalgic theatre bu[illegible] Artemis Cooper's edition o[illegible] grandparents' corresponden[illegible] **Durable Fire: Letters of [illegible] and Diana Cooper 1913-[illegible]** (Collins £12.95) with its ac[illegible] of the reception of Reinha[illegible] prewar spectacular, "[illegible] Miracle."

And if 1983 was not a mi[illegible]lous year for the art of [illegible]graphy, it was certainly a [illegible] one.

Mary Berenson—the art historian's wife, subject of one of this ye[illegible] biographical portraits

Novel writing today—the triumph of hope over hype

BY GAY FIRTH

The best thing to do with "1984," of course, is to re-read it, along with "Animal Farm": reflecting that there would have been hell to pay if George Orwell had not been included among 12 post-war authors selected for "Best Novels of Our Time," next February's ballyhoo from the Book Marketing Council.

There has been a certain amount of fuss over the chosen few as it is; sifting out "best" from "good" is a silly business. But now and again hope triumphs over hype. William Golding won this year's Nobel Prize for Literature. His **The Paper Man** is coming soon from Faber. And the "best" thing to do with what is left of 1983 is to reflect that, though no one novel stands head and shoulders above the crowd published in the last 12 months, that was a first-rate year, that was, for First Division fiction.

The Philosopher's Pupil (Chatto and Windus, £7.95), her 21st novel, marked 30 years of weird and wonderful story-telling by Iris Murdoch. Stanley Middleton's marvellous allegory of art and life, **Entry Into Jerusalem** (Hutchinson, £7.50), was as subtle, as serious, and as beautifully written as William Trevor's terrible reflection of Ireland between 1918 and 1983, **Fools of Fortune** (Bodley Head, £7.50), which won the Whitbread "Best Novel" award. Not even Brian Moore, exacting customary tribute from Irish-Catholic consciousness of sin and guilt in **Cold Heaven** (Cape, £7.95), held a candle this year to Mr Trevor's tragedy of Anglo-Irish cousinhood unravelling in love, hate, and Troubles.

Cousins, by Monica Furlong (Weidenfeld and Nicolson, £7.95), measured C of E sophistry against untidily personal experience of love, both human and divine. (The C of E came off badly.) In a confessional exercise even more telling, Anita Mason's **Look At Me** (Cape, £7.50), a superb third novel, showed a first-person narrative descending through loneliness into quiet desperation; a piece of prose as polite, and as potent as any published this year; although Mollie Keane's merciless stare at faded grandeur, pretension and family loathing on a decaying Ascendancy estate in Ireland, **Time After Time** (André Deutsch, £7.95), ran close in sadness and human frailty.

The 1983 Booker Prize judges, chaired by Fay Weldon, exhibited a tendency — evident for some time — to favour novels with "global" or "universal" themes. (That is not to say that the "feminist" novel, a conspicuous feature of the 1970s, is dead: only fading, like the "Hampstead" novel of the 1960s, and perhaps, the "Jewish" novel of the 1950s). The only arbitrary categories worth a moment's thought are "good" and "bad": on that criterion the Booker shortlist, winnowed out of over 100 novels submitted for the award, was impressive. Fable (John Fuller's **Flying to Nowhere**, Salamander Press, Edinburgh, £4.95) marched with fairy tale (Salman Rushdie's **Shame**, Cape, £7.95); backed by biblical legend (Anita Mason's **The Illusionist**, Hamish Hamilton, £8.95, a reincarnation of Simon Magus); dynastic fenland chronicle (Graham Swift's **Waterland**, Heinemann £7.95); and linguistic travelogue (Malcolm Bradbury's **Rates of Exchange**, Secker and Warburg, £7.95).

The South African writer, J. M. Coetzee, won the Prize (in sensible absentia) for **Life and Times of Michael X** Secker and Warburg, £7.95): a poignant, bleakly symbolic statement of human dignity intact under layers of disabling deprivation and ill treatment. By chance, Professor Coetzee's work turned up again this year, in a translation of Wilma Stockenstrom's extraordinary moving novel, **The Expedition to The Baobab Tree** (Faber, paperback original, £2.50): a brief, timeless epic of spiritual freedom in bodily slavery, written originally in Afrikaans, also set in South Africa.

The squeak and gibber of literary prize-giving is a bogus test of literary health. First novels — especially first novels which dare to be fierce and funny — are the real thing: 1983 showed up strongly Howard Jacobson's **Coming From Behind** (Chatto and Windus, £7.95) put a whoopee cushion under trendy polytechnics, self-consciously self-destructive semitism, and Cambridge academic foibles at their archaic worst — all in one carefully detonated burst of hilarity. Max Davidson, somewhat less adventurously, blew raspberries at sexual and sexist preoccupations of bright young things out and about in modern middle-class London in **The Wolf** (Quartet, £7.95); and when Clive James gets his breath back he will probably find more imaginative activities for his **Brilliant Creatures** (Cape, £7.95) — a squeaking, gibbering "novel improper" for our time; clever, funny, but unworthy of Mr James's talents.

More serious, no less remarkable first novels included two set in Ireland: Clare Boylan's **Holy Pictures** (Hamish Hamilton, £7.95) and M. S. Power's **Hunt for the Autumn Clowns** (Chatto and Windus, £7.95). **The Notebook of Gismondo Cavolletti**, set in Renaissance Florence, won the David Higham Prize for R. M. Lamming for this diary of 16th century Italian mercantile life: and **The Viaduct** (Bodley Head, £5.95), took readers with hearts tuned to David Wheldon's subtle understanding of an alternative world, poised between one kind of captivity and another, through a Never-Never Land of gentle journeying.

The year witnessed one spectacular failure. **Ancient Evenings** (Macmillan, £9.95), set in high seriousness, honourable purpose, and Ancient Egypt, seems unlikely to earn reincarnation from the debit to the credit side of Norman Mailer's courageous, occasionally outrageous career as America's most conspicuous *literato*: impressive research provided little more than a catalogue of overblown obsessions, sexually violent, violently sexual—ten years in the writing; a noisy disappointment. Peter de Vries revived trans-Atlantic hope and faith with **Slouching Towards Kalamazoo** (Gollancz, £7.95): another of his linguistic extravaganzas; a roll-call of cartoon characters in a plot featuring North Dakota of all unlikely places as generator of the sex revolution.

Some important European novels added riches to the year's store. William Weaver translated two: **1934** (Secker and Warburg, £8.50), a powerful story of politics, love, and suicide, set on Capri under Mussolini, by Italy's most distinguished 20th century novelist, Albert Moravia; and Umberto Seco's **The Name of the Rose** (Secker and Warburg £8.95), a dazzling whodunnit set in a 14th century Italian monastery. (That sounds crazy: the book is not.)

Milan Kundera, Czech author of "The Book of Laughter and Forgetting," published in English last year, published **The Joke** (Faber, £8.95) in Czechoslovakia, uncensored, in 1967. A year later, Russian troops and tanks entered Prague. Erased from the Czech national record, mutilated in earlier English editions, this new translation is the authorised authentic version of a novel packed with sexual and political paradox: "the joke" as trap for the unwary; "Remorseful nostalgia and remorseless scepticism"; a marvellous book.

Characteristically quirky, stylish novels came from A. N. Wilson **Scandal** (Hamish Hamilton, £8.95), Peter Ackroyd **The Last Testament of Oscar Wilde** (Hamish Hamilton, £7.95), and Lawrence Durrell **Sebastian, or Ruling Passions** (Faber, £7.95), fourth in Mr Durrell's "quincunx" — an Avignon Quintet reminiscent of his tour de force of the 1950s, "The Alexandria Quartet." D. M. Thomas's **Ararat** (Gollancz, £6.95) twisted improvisation around improvisation in fevered dreams of sexual passion, Cold War politics, and the sacred mountain itself: a maddening, mesmerising sequence linked by more poetic licence than sense.

Somewhat more conventional, admirably resourceful work came from respected writers, many — but not all — of them women, in novels notable for good story-telling, absence of Identikit characterisations, and well-turned prose impeded only by a certain caution. (There is nothing seriously wrong with caution: too much bravery, in novel-writing, can look like carelessness.) Stephen Benatar's **When I Was Otherwise** (Bodley Head, £7.95), William Cooper's **Scenes From Later Life** (Macmillan, £7.95), Penelope Mortimer's **The Handyman** (Allen Lane, £6.95), and Penelope Gilliatt's **Mortal Matters** (Macmillan, £8.50) all treated, in different ways, of aging and old age. Nina Bawden's **The Ice-House** (Macmillan, £7.95), Melvyn Bragg's **Love and Glory** (Secker and Warburg, £7.95), and Maur[illegible] Duff's **Londoners** (Meth[illegible] £7.95) examined *mores*, m[illegible] attitudes, and motives am[illegible] contemporary characters li[illegible] in big cities.

Lisa St Aubin de Ter[illegible] bizarre fugitives dri[illegible] between dreams and dange[illegible] **The Slow Train To Milan** (C[illegible] £7.95); Harriet Waugh c[illegible]trolled a comic, complex c[illegible] of undomesticated characters [illegible] **Kate's House** (Weidenfeld [illegible] Nicolson, £7.95). A brace [illegible] brilliantly funny black comed[illegible] came from David Nobbs a[illegible] Nicholas Salaman in **Seco[illegible] From Last in The Sack R[illegible]** (Methuen, £7.95) a[illegible] **Dangerous Pursuits** (Secker a[illegible] Warburg, £7.50). Best of [illegible] reading between lines of gen[illegible] language masking cosn[illegible] danger, Janice Elliott did [illegible] deny 1983 some finely tun[illegible] insights in **Magic** (Hodder a[illegible] Stoughton, £7.95): essenti[illegible] reading on the brink of 1984.

Polemical priest

BY ANTHONY HARTLEY

Hensley Henson: A study in the friction between Church and State
by Owen Chadwick. Oxford. £18.50. 336 pages

Ecclesiastical biography is not much in fashion these days, nor is it always easy to think of contemporary Church leaders who could stand the weight of attention bestowed on previous luminaries by their biographers In his memoir of Hensley Henson, Bishop of Durham from 1920 to 1938, Owen Chadwick has recreated that craggy and combative figure with admirable elegance and economy. The life of Henson is worth studying both because of his strength of character and the curiously symbolic nature of his career. He himself published a typically caustic autobiography "Retrospect of an Unimportant Life" which, says Professor Chadwick, was achieved "at the cost of his reputation" — though here it would be possible to differ.

It is true that Henson's memory is associated with a series of trenchant comments on his episcopal colleagues. Those sprung from the same quality of mind which gave him the courage and independence to assert moral values against the principalities and powers of the day. As Canon of Westminster he denounced from the pulpit the British directors of the Putomayo rubber company which had been responsible for the massacre and torture of Peruvian Indians. As Bishop of Durham he attacked again and again the Fascist and Nazi dictatorships, feeling "a kind of blind rage" as he heard of the treatment of German Jewry.

The independence which allowed Henson to speak out on such issues says something for the Church of England. However, his life was spent with the dilemma of a state Church which was losing its grip on the majority of Englishmen. He had started out as an Anglo-Catholic, reacting against his appalling Plymouth Brother father, but then came to believe that the disputes created by extreme High Church attitudes —"bells and smells!"—were endangering the position of Anglicanism as a national Church. But when Parliament threw out the revised Prayer Book in 1927, Henson wrote "The episcopate can hardly sink so low as to accept a policy from a majority of the House of Commons." As a result of that experience he became a partisan of disestablishment. Later he commented: "Perhaps no Church in Christendom has . . . been so completely despiritualised as the Church of England."

This was a sad conclusion, but the problem was insoluble. Either the Anglican Church remained a national body and tempered its doctrines to the fading certainties of the mass of Englishmen. Or else it accepted the position of another minority Church with more emphasis on doctrine and ecclesiastical discipline. A more clerical Anglicanism was not to the taste of most Englishmen, while modernisation of liturgy and language proved as likely to alienate existing worshippers as it was to attract new ones.

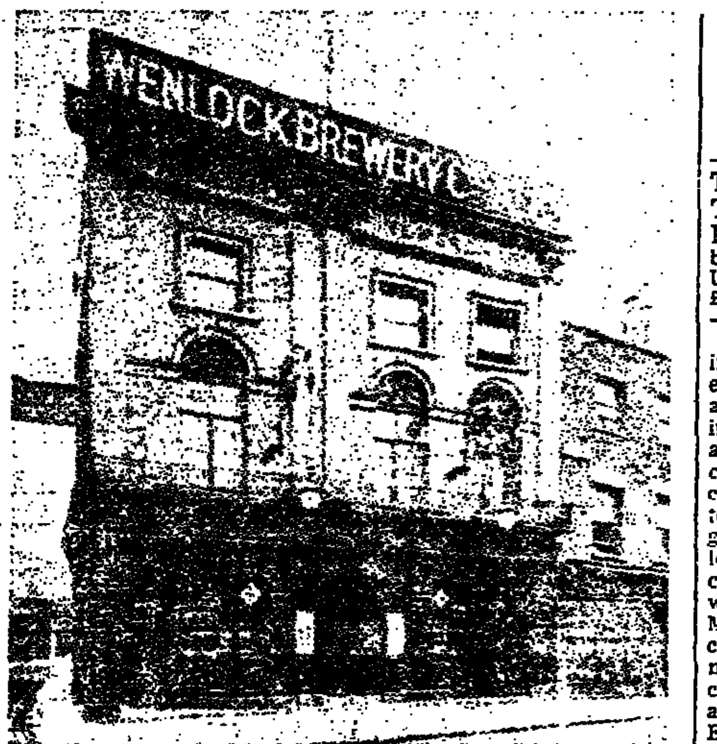
Henson could not find any remedy for the indecisions of his Church. Indeed, his own apparent inconsistencies reflected them. Yet he was not a weak man. Professor Chadwick's memoir conveys an impression of integrity and purpose which allows the reader to forget that, by the first half of the 20th century, however strong the individual, neither the Anglican Church nor its bishops were quite what they had been.

Fine toun

Edinburgh: A Literary Anthology
edited by Owen Dudley Edwards and Graham Richardson. Canongate Publishing, £12.95. 281 pages

Owen Dudley Edwards and Graham Richardson shake a wonderful kaleidoscope in their anthology: 66 pieces of prose, poetry, letters, articles and speeches concerning life over the centuries in what Froissart's Chronicles called "Prays in Scotlande." Hugh MacDiarmid "a hlinded giant." Even Glaswegians will recognise, and relish, indigenous screams of pain amid songs of praise for a city riven with contradictions.

G.F.



This example of building in the Brompton Road at the turn of the century is one of the illustrations in the latest volume in the Greater London Council's "Survey of London Volume XLI South Kensington: Brompton" (The Athlone Press, £45.00). It shows with impeccable scholarship how a rustic village became a flourishing, affluent London suburb producing buildings such as the Oratory and Harrods.

Scientists' A to Z

By DAVID FISHLOCK

The odds against correctly picking next year's Nobel prize-winners in the sciences are so long as to make nominating next year's Derby winner seem a snip. But the three editors and 15 contributors to Chambers **Biographical Encyclopaedia of Scientists** (£35) have tackled something still tougher: the task of picking and summarising the scientific achievements of 2,000 outstanding scientists of all times.

They won't, by a long way, satisfy everyone. Their yardstick was the prizes science itself awards its fellows who advance the borders of knowledge. But the editors, John Daintith, Sarah Mitchell and Elizabeth Tootill, admit coyly that their system would fail to flush out "an unknown physicist working out a revolutionary new system of mechanics in the seclusion of the Bern patent office."

It also failed to find Carlo Rubbia, working in nearby Geneva with one of the most conspicuous of all contemporary tools of science, who discovered the W and Z particles of "heavy light" this year.

Of the four Nobel laureates in the sciences this year, it includes three. Fuchs the explorer gains entry but not Fuchs the physicist who absconded. Diesel the engineer is present but not Hinton or Rickover. Lamb the controversial climatologist gets in but not Mason, director-general of the Met Office for 18 years.

Einstein seems to rate the longest entry, over two pages, compared with one each for Galileo and Rutherford, and 4.5 inches for Sanger, the Cambridge biochemist with two Nobels.

For those who make Chambers' top 2,000, the entries are brisk and lucid, concentrating on the achievement rather than the person.

Sack of Cadiz

BY A. L. ROWSE

The Counter-Armada 1596: The Journall of the Mary Rose
by Stephen and Elizabeth Usherwood. The Bodley Head. £7.95. 176 pages

The capture and sack of Cadiz in 1596 made the greatest single exploit of the English—with the aid of a Dutch contingent—in the long Elizabethan war against Spain. Suppose, *per contra*, if the Spaniards had captured Plymouth? The blow to Spain's prestige was very great, perhaps as great as the loss of the first Armada—ironically it happened in the area where the unfortunate Duke of Medina Sidonia was again in command, and he could do nothing to save the city. It increased war-weariness in Spain, and it had consequences in England which these authors do not realise.

Their title, *The Counter-Armada*, is inappropriate, for it was the great Lisbon expedition of 1589, led by Drake and Norris, which was intended as the Counter-Armada to that of 1588, and it was a fiasco.

Cadiz was not. The action was well reported in various sources: by Raleigh among others. Now Dr Geoffrey Bill, of Lambeth Palace Library, the Archbishop's librarian, has identified an unpublished account of the affair there, as by Sir George Carew, Master of the Ordnance and captain of the Mary Rose. It forms the basis of the present book and is printed as an appendix. How much it adds significantly to what was known already about the expedition may be doubted.

Those of us who know Shakespeare's church at Stratford will remember Carew on his resplendent monument, guns, cannon-balls, the accoutrements of the Ordnance office about him. It is likely enough that Shakespeare knew this important official, for he married the heiress of Clopton House on the slopes above the town and at times lived there. The authors are at pains to drag in a quotation from Shakespeare here and there, whether relevant or not, and then miss a specific reference to Cadiz at the beginning of *The Merchant of Venice*.

But I should think of
shallows and of flats,
and see my wealthy *Andrew*
docked in sand,
Vailing her high top lower
than her ribs. . .

This was the galleon St Andrew which the Spaniards ran in on the sands (it confirms the dating of the play).

John Donne the poet was on the expedition: the authors rightly quote his various references to it in his verse. Many other notable people also served, whom the authors miss. The poet William Alabaster, for example, was converted to Catholicism by a captured Jesuit—amusing and very English of him. Raleigh's brother-in-law Sir Arthur Throckmorton—knighted pretty cheaply along with 60 others, to the Queen's annoyance—left various evidences of his part in it. Several of the books he looted remain at Oxford, in Magdalen College Library, with their fascinating inscriptions, along with those which Essex brought back and gave to the Bodleian.

If the authors had troubled to look up the West Country authorities—instead of padding out the account with how to make saltpetre, etc—they would have found that the town of Plymouth "set forth a ship in the Cadiz action." The town also spent a large sum of money £24—multiply by a hundred—on a tun of wine for Lord Admiral Howard and Essex, to help them on their way, besides sending to Saltash for oysters for the Lord Admiral.

Essex won golden opinions, from Philip II downwards, for characteristic English chivalry in his treatment of prisoners, particularly ladies, nuns especially. And at home, ever popular, he got all the credit for the exploit, when Raleigh—unpopular as he was—actually deserved more in the taking of the city. As usual, the Queen is unfairly blamed for meanness by naval historians who do not have a wider perspective, or even a financial one.

The fact was that loot stuck to everybody's fingers, from the top to the bottom, and she—i.e. the country, was left to foot the bill.

All these leads should have been followed up. However, it is useful to have Carew's journal in print in a form accessible to the common reader.

Little change on Wall Street

LITTLE CHANGE was recorded on Wall Street yesterday, when trading volume slowed as investors got an early start to the holiday weekend.

At 1 pm the Dow Jones Industrial Average held unchanged at 1260.16 for a net gain of 9.65 on the week, while the NYSE All Common Index, at $94.97, shed 6 cents on the day but was still up 80 cents on the week. Trading volume dropped 13m shares to 53.15m, compared with 1 pm Thursday.

The Dow Transportation Index, however, continued to climb and was up 3.26 to 595.15.

One of the big gainers Chris-Craft, advanced $2¾ to $29¾ on light volume. The company on Thursday sold a stake in its broadcast operations to Warner Communications in return for a substantial amount of Warner stock, which lost $⅜ to $25. Analysts believe Warner may have entered into the transaction with *Chris-Craft to avoid being* taken over.

Other gainers included **Loews**, which jumped $4 to $158, **Interpublic** $2 to $51 and **Burlington Northern** *$1¾ to $99.*

Losers included Wal Mart, down $1½ to $38, **Electronic Data Systems** $1¾ to $31¼ and **Motorola** $1¾ to $135¾.

Getty *Oil* eased $⅜ to $96⅞—*it* is the subject to a $100 a share tender offer by **Pennzoil**.

ATT "when issued" led the active list, unchanged at $17⅞ on a volume of only *875,000* shares. ATT's original shares, the second most active issue, were up $¼ to $61¼.

Northern Telecom, the subject of a published report, improved $1 to $38⅞.

THE AMERICAN SE Market Value Index gained 0.46 to 221.67, for a net rise of 1.85 on the week. Volume rose 1.04m shares to 7.114m, compared with 1 pm Thursday.

Canada

Stock prices continued to inch upward but the volume slowed under the influence of pre-holiday trading.

The Toronto Composite Index was up 4.2 at 2,549.7. Oil and Gas 14.5 at 3,451.0 and Utilities 0.12 at 337.67. But Metals and Minerals shed 7.8 to 2,496.1, Golds 11.1 to 4,163.8 and Banks 0.87 to 482.89.

Onaping Resources resumed trading and were off 40 cents at $3.05 on heavy volume of 188,427 shares. Investors were disappointed in the announcement that the company's Glooscap well offshore Nova Scotia was abandoned.

Asamera rose $¼ to $14¼—Thursday it announced a US$10m writedown on a dry well in Colombia.

Closing prices for North *America* were *not* available for this edition.

Bourses closed

Bourses in the following countries were closed yesterday: Austria, Belgium, Germany, Japan, Netherlands and Switzerland.

Australia

A strong oil flow from the Tintaburra One well in Queensland boosted the Oil sector, and Home Loan and Overdraft interest rate cuts by Westpac Banking Corp pushed Industrial shares up on Australian share markets.

The All Ordinaries Index rose 5.1 to another record high of 775.3. Turnover was a fairly active A$37.26m, including A$7.51m in off-market deals.

Strong Industrial groups in the half-day pre-holiday session were Transport, Media and Food stocks.

Brokers said a shortage of *scrip* accentuated the rises on the last trading day of the year, particularly in the Mining sector.

Most of the Tintaburra part*ners improved.*

Hartogen rose 20 cents to A$2.80, **Plymouth Petroleum** 9 cents to 44 cents, **Lennard Oil** 12 cents to 35 cents and *Petroleum Securities 35* cents to A$2.00. **Weeks Australia, Petro Energy** and **Home Energy** each rose 7 *cents* to A$1.80, 34 cents and 80 cents respectively.

Elsewhere among Oils, **Weeks Petroleum** jumped 54 cents to A$6.00, while **Claremont, Vamgas** and **Crusader** each added 5 cents at A$2.10, A$3.70 and A$3.15 respectively.

The Metals Index moved up 7 points to 562.2, *as CSR climbed* 11 cents to A$4.13, **CRA** and **Central Norseman** 10 cents each to A$6.00 and A$7.00 respectively. **MIM** and **Western Mining** each put on 7 cents to A$3.93 and A$4.42 respectively.

Hong Kong

Stocks prices closed mostly unchanged on the last day's trading of 1983.

Brokers noted some pressure on the Property sector, but said the Banking sector was generally steady.

The Hang Seng Index shed 2.21 to 874.94, which compared with the close on December 31 1982 of 783.82.

Stelux Holdings shed 4 cents to HK$ 1.20, after it announced an interim net loss of over HK$ 23m against a near HK$ 26m profit in same 1982 period.

The financially troubled **Trafalgar Housing** announced an increased net 1983 interim profit, with its shares quoted at 33/34 cents against 33 Thursday.

Singapore

Higher despite late profit-taking, which pared earlier gains, brought about by year-end window-dressing and speculative buying.

Trading was very active throughout and turnover swelled to 23.94m units from Thursday's 15.13m, with a handful of "speculative" and Plantation-based stocks dominating the scene.

Gains outnumbered falls by *about two-to-one, but price* changes were mostly small. The Straits Times Industrial Index closed 0.98 higher at 1002.03.

Plantation-based shares were sought on expectations that commodity prices will remain high. **Pegi** led the field in activity transacting 1.81m units before closing 5 cents up at S$2.20.

Property counter, **Selangor Properties** closed unchanged at S$6.35, after a high of S$6.60 on *a turnover of* 1.39m units.

Paris

Narrowly mixed in active trading encouraged by essentially technical factors, including end-year adjustment of positions.

Motors and Portfolios were steady, while Foods, Engineerings and Stores fell. Metals were slightly easier, while Banks, Constructions, Electricals and Oils were mixed.

In lower Foods, **Beghin-Say** fell FFr 6 to FFr 265, **Bongrain** FFr 22 to FFr 1,878 and **Carrefour** FFr 47 to FFr 1,325.

In *mixed Constructions,* **Dumez** rose FFr 2 to FFr 882 while, in lower Engineerings, **Dassault** increased FFr 20 to FFr 445.

Among Foreign issues, Americans and Gold Mines were slightly easier. Germans and Dutch were steady, while Oils, Coppers and Japanese were mixed.

Milan

Mixed in thin end-year trading.

Pirelli, Montedison, Snia and **Fiat** closed narrowly firmer, while **Olivetti, Italcementi, Generali** and **Mediobanca** were each slightly easier.

Bonds tended firmer in active dealing.

Johannesburg

Buying interest was surprisingly strong, although the market closed at 12 pm local time.

"High-priced" Gold Mines were most in demand. **Libanon** gained 100 cents to 4,400.

A brokerage firm J. D. Anderson and Co said most of the *orders came from London and* New York. "If anything, the locals have been selling," it reported.

Industrials also advanced. The *Chemicals Producer AECI moved* up another 20 cents to 920.

Indices

NEW YORK

DOW JONES

	Dec. 29	Dec. 28	Dec. 27	Dec. 23	Dec. 22	Dec. 21	1983 High	1983 Low	Since Compil'tn High	Since Compil'tn Low
♦ Industr'ls	1260.16	1263.51	1263.72	1260.51	1253.66	1254.88	1287.20 (29/11)	1027.04 (3/1)	1287.20 (29/11/83)	41.22 (2/7/32)
H'me Bnds	(u)	69.53	69.69	69.61	69.35	69.50	77.84 (6/5)	60.85 (9/8)	—	—
Transport.	591.88	588.26	588.47	587.26	587.07	596.78	612.57 (22/11)	454.24 (3/1)	612.57 (22/11/83)	12.32 (8/7/32)
Utilities	131.79	132.68	131.98	130.64	130.44	131.17	140.70 (31/10)	119.51 (3/1)	163.32 (20/4/69)	10.5 (28/4/42)
TradingVol 000-†	86,560	85,660	63,800	62,710	106,280	108,080	—	—	—	—

♦ Day's high 1273.88 (1268.90) low 1256.30 (1254.17)

	Dec. 23	Dec. 16	Dec. 9	Year ago (approx)
Industrial div. yield %	4.51	4.54	4.47	5.18

STANDARD AND POORS

	Dec. 29	Dec. 28	Dec. 27	Dec. 23	Dec. 22	Dec. 21	1983 High	1983 Low	Since Comilt'n High	Since Comilt'n Low
Industr'ls	186.31	186.85	186.00	184.10	184.11	184.24	194.84 (10/10)	154.96 (3/1)	194.84 (10/10/83)	3.62 (30/6/32)
Comp's'te	164.86	165.34	164.76	163.22	163.27	163.58	172.65 (10/10)	138.34 (3/1)	172.65 (10/10/83)	4.40 (1/6/32)

	Dec. 28	Dec. 21	Dec. 14	Year ago (approx)
Industrial div. yield %	3.72	3.77	3.78	4.52
Industrial P/E ratio	13.57	13.37	13.33	10.90
Long Gov. Bond yield	11.76	11.78	11.90	10.44

N.Y.S.E. ALL COMMON

Dec. 29	Dec. 28	Dec. 27	Dec. 23	1983 High	1983 Low
95.03	95.23	94.93	94.17	99.63 (10/10)	80.92 (24/1)

Rises and Falls

	Dec. 29	Dec. 28	Dec. 27
Issues Traded	2,045	2,036	2,015
Rises	838	759	973
Falls	784	816	528
Unchanged	423	461	414
New Highs	36	30	31
New Lows	36	42	51

MONTREAL	Dec. 29	Dec. 28	Dec. 27	Dec. 23	1983 High	1983 Low
Industrial	441.28	442.66	(c)	441.33	488.80 (26/8)	331.18 (4/1)
Combined	426.75	426.15	(c)	425.25	441.28 (26/8)	328.12 (4/1)
TORONTO Composite	2545.5	2542.8	(c)	2538.9	2598.2 (26/8)	1949.8 (4/1)

	Dec. 30	Dec. 29	Dec. 28	Dec. 27	1983 High	1983 Low
AUSTRALIA						
All Ord. (1/1/80)	775.3	769.9	766.6	(c)	775.3 (30/12)	487.8 (4/1)
Metals & Minls. (1/1/80)	562.2	552.2	552.6	(c)	614.2 (5/8)	411.8 (4/1)
AUSTRIA						
Credit Aktien (2/1/62)	(c)	56.34	56.11	56.02	58.8 (5/5)	48.48 (16/2)
BELGIUM						
Belgian SE (31/12/63)	*(c)*	*136.16*	*136.54*	*136.77*	*136.77 (27/12)*	*100.50 (4/1)*
DENMARK						
Copenhagen SE (3/1/83)	(u)	211.85	210.34	207.82	211.85 (29/12)	100.00 (3/1)
FRANCE						
CAC General (31/12/82)	156.7	158.5	155.5	154.2	156.7 (30/12)	95.1 (3/1)
Ind Tendance (31/12/82)	167.8	167.8	167.0	166.0	167.8 (29/12)	98.0 (3/1)
GERMANY						
FAZ-Aktien (31/12/58)	(c)	351.83	351.71	349.25	351.83 (29/12)	241.88 (25/1)
Commerzbank (1/12/53)	(c)	1041.7	1044.0	1035.1	1044.0 (28/12)	727.3 (25/1)
HONG KONG						
Hang Seng Bank (31/7/64)	874.94	877.15	874.15	867.5	1102.64 (21/7)	690.06 (4/10)
ITALY						
Banca Comm Ital. (1972)	191.48	192.18	191.07	192.92	214.36 (21/3)	160.46 (10/1)
JAPAN**						
Nikkei-Dow (16/5/49)	(c)	(c)	9895.82	9883.94	9893.82 (28/12)	7805.18 (25/1)
Tokyo SE New (4/1/68)	(c)	(c)	751.8	728.7	731.8 (28/12)	574.51 (25/1)
NETHERLANDS						
ANP-CBS General (1970)	(c)	154.2	153.3	151.9	164.2 (29/12)	100.1 (4/1)
ANP-CBS Indust (1970)	(c)	129.3	127.7	126.7	129.3 (29/12)	83.5 (4/1)
NORWAY						
Oslo SE (4/1/83)	222.06	220.32	221.57	225.37	225.37 (27/12)	99.01 (4/1)
SINGAPORE						
Straits Times (1966)	1002.03	1001.05	967.39	987.98	1002.03 (30/12)	712.29 (5/1)
SOUTH AFRICA						
Gold (1958)	887.5	879.8	877.5	875.1	1089.5 (1/2)	861.4 (1/11)
Industrial (1958)	988.1	961.8	966.5	949.1	968.7 (28/6)	704.9 (3/1)
SPAIN						
Madrid SE (31/12/82)	117.97	118.32	116.62	116.15	128.14 (10/11)	98.62 (11/1)
SWEDEN						
Jacobson & P. (1/1/58)	1445.46	1455.88	1429.32	1432.96	1526.83 (21/12)	886.18 (3/1)
SWITZERLAND						
SwissBankCpn. (31/12/58)	(c)	385.8	384.5	388.6	564.5 (28/12)	284.4 (4/1)
WORLD						
Capital Intl. (1/1/70)	—	183.7	185.5	182.7	185.8 (10/10)	154.3 (3/1)

(**Saturday December 10: Japan Nikkei-Dow (c). TSE (c).

Base values of all indices are 100 except Australia All Ordinary and Metals—500. NYSE All Common—50; Standard and Poors—10: and Toronto—1,000; the last named based on 1975. † Excluding bonds. ‡ 400 industrials. § 400 industrials plus 40 Utilities. 40 Financials and 20 Transports. c Closed. u Unavailable.

NEW YORK ACTIVE STOCKS

Thursday	Stocks traded	Closing price	Change on day		Stocks traded	Closing price	Change on day
Gulf United	3,105,700	29⅝	−⅛	Texas Util	1,248,300	23¼	−1⅞
AT & T *New*	1,806,700	17⅞	+¼	*Lilco*	1,122,300	10⅝	—
AT & T Old	1,635,600	61¼	+¼	Am Med Intnl	1,039,400	24	+⅛
Amer Express	1,624,400	33	+⅛	LTV	909,200	18⅝	−⅛
Getty Oil	1,323,600	97½	−2½	Consumer Pwr	740,300	13⅞	+⅛

NEW YORK

Stock	Dec. 29	Dec. 28	Stock	Dec. 29	Dec. 28	Stock	Dec. 29	Dec. 28
Chesebr. Pond	37¼	36¾	Genuine Parts	45⅛	45⅞	Merck	90	90¼
Chicago Pneum.	16⅜	16⅝	Georgia Pac	24¾	24⅞	Meredith	44⅝	45⅛
Chrysler	27⅛	27½	Gerber Prod	42	42	Merrill Lynch	31¾	32⅞
Chubb	68¾	68¾	Getty Oil	97⅛	100	Mesa Pet	13⅛	14
Cigna	44	44	Gillette	48⅝	48	Metromedia	34⅞	35
CincinnatiMil	32¾	32⅝	Global Marine	8	8¼	Midcon	34	34
Citicorp	36⅞	36⅝	Goodrich (B.F.)	30¼	30⅝	Mid Sth Util	13⅜	13⅛
City Invest	37⅜	37½	Goodyear Tire	30⅛	29⅞	Milton Bradley	23⅛	23½
Clark Equipment	37⅝	38	Gould	30½	30	Minnestota Mine	82½	83⅝
Cleve Cliffs Iron.	24¾	24⅝	Grace	45	44⅜	Mitchell Energy	23⅜	23⅝
			Grainger (WW)	61	61	Mobil	29⅛	29⅛

Stock	Dec. 29	Dec. 28	Stock	Dec. 29	Dec. 28
Rymer	23⅛	24	ʷinnebag	12¾	12⅞
SFN Companies	35½	34¾	Wisc Elec Power	27⅛	27¼
SPS Tech	24¾	24½	Woolworth	35¼	35
Sabine Corp	20½	20¼	Wrigley	52⅝	53
Safeco	65⅜	65½	*Wyly*	10¼	10⅝
Safeway Stores	26¼	26⅜	Xerox	49½	50¼
St. Paul Cos	60¼	60¼	Yellow Frt Sys	42⅞	42⅞
St. Regis Paper	34	34⅛	Zapata	16⅛	16¼
Sante Fe Inds	29⅞	29⅞	Zayre	42	41⅜
Saul Investment	13½	13¼	Zenith	35½	35
Schering Plough	37½	37½	Zero	25¼	25½

CANADA

Stock	Dec. 29	Dec. 28
AMCA Intl.	26½	26½
Abitibi Paper	24¼	24
Agnico Eagle	17½	17
Alberta Energy	18¼	18¼
Alcan Aluminium	49⅝	49⅝
Algoma Steel	28¼	28¼
Asbestos	10¼	10¼

DENMARK

Dec. 30	Price Knr %	+ or −
Aarhus Olie	444	+7
Andelsbanken	352	+7
Baltica Skand.	655	+12
CopHandelsbank	338	+10
D. Sukkerfab	731	+30
Danske Bank	371	+5
East Asiatic	183	+5

NETHERLANDS

Dec. 29	Price Fls.	+ or −
ACF Holding	189	+4.5
Aegon	121.5	+1.5
Ahold	196.7	+0.2
AKZO	99	−0.5
ABN	374	−3
AMEV	157	+0.2
AMRO	61.9	−0.1

AUSTRALIA

Dec. 30	Price Aust. $	+ or −
ANZ Group	5.86	−0.04
Acrow Aust.	1.45	
Alliance Oil D.	0.78	
Ampol Pet.	1.9	+0.05
Aust Cons Ind.	1.9	+0.01
Aust. Guarant.	3	+0.05
Aust. Nat. Inds.	2.68	
Aust. Paper	2.32	−0.05

JAPAN (continued)

Dec. 28	Price Yen	+ or −
Konishiroku	650	+5
Kubota	313	+2
Kumagia	452	+5
Kyoto Ceramic	9,450	+50
Maeda Const.	506	+5
Makino Milling	1,440	+10
Makita	1,200	
Marubeni	260	

FOREIGN EXCHANGES

Dollar weaker

The dollar lost ground in currency markets yesterday in very thin trading ahead of the year end. Currency movements tended to be exaggerated simply by the lack of volume. The dollar's weaker trend reflected a change in attitude by the market amid hopes that the U.S. authorities may be able to avoid any increase in U.S. interest rates.

Up until recently the strength of the U.S. economy had led to fears that the Fed would have to tighten credit policies in order to counter the inflationary pressures normally associated with a strong economic recovery. However, an unexpected fall in U.S. leading indicators for last month tended to suggest a slowdown in economic growth and a reduction in upward pressure on interest rates.

The dollar closed at DM 2.7225 from DM 2.7280 and Y231.55 from Y232.20. It was also lower against the French franc at FFr 8.3175 from FFr 8.35 but improved against the Swiss franc to SwFr 2.1805 from SwFr 2.18. On Bank of England figures its trade weighted index fell to 129.2 from 129.5. Sterling closed at $1.4515, up 25 points. Its index rose to 82.9 from 82.8, having stood at 83.0 at noon and 82.8 in the morning.

£ in New York

	Dec. 30	Previous
Spot	$1.4515-4535	$1.4528-4535
1 month	0.06-0.09 dis	0.07-0.10 dis
3 months	0.22-0.25 dis	0.24-0.28 dis
12 months	0.85-0.95 dis	0.89-0.98 dis

£ forward rates are quoted in U.S. cents discount.

THE POUND SPOT AND FORWARD

Dec 30	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	1.4460-1.4535	1.4510-1.4520	0.06-0.11c dis	−0.70	0.23-0.28dis	−0.70
Canada	1.8000-1.8060	1.8050-1.8060	0.02c pm-.08c d	−0.33	0.11-0.21dis	−0.35
Nethlnd.	4.42½-4.45½	4.44-4.45	1½-1c pm	3.37	3¾-3⅝ dis	3.14
Belgium	80.45-81.10	80.65-80.75	5-15c dis	−1.48	32-42 dis	1.83
Denmark	14.26-14.35	14.33½-14.34½	2½-3½ore dis	−2.5	7¾-8½ dis	−2.23
Ireland	1.2710-1.2790	1.2745-1.2760	0.26-0.18p pm	2.07	0.66-0.54pm	−1.88
W. Ger.	3.93½-3.98½	3.95-3.96	1¾-⅞pf pm	3.41	3½-3 pm	3.27
Portugal	191.75-193.25	192.40-192.90	125-305esc dis	−13.39	465-980dis	−14.99
Spain	226.75-227.75	227.35-227.55	175-215c dis	−10.28	545-625dis	−10.46
Italy	2,398-2,407	2,400-2,402	13-16lire dis	−7.23	44-48 dis	−7.66
Norway	11.12-11.20	11.18-11.19	3½-4½ore dis	−4.15	9⅞-10¾ dis	−3.71
France	12.04½-12.11½	12.06½-12.07½	2¾-3¼c dis	−2.98	11¾-13¾dis	−4.22
Sweden	11.58-11.63	11.61-11.62	2-2½ore dis	−2.32	6¾-7 dis	−2.32
Japan	334½-337½	336-337	8¾-7¾y pm	2.95	237-223 pm	2.73
Austria	27.75-27.95	27.85-27.90	7½-6½gro pm	2.85	20½-16⅞ pm	2.72
Switz.	3.14½-3.17½	3.16-3.17	1⅞-1⅝c pm	6.16	4¾-3⅞ pm	5.21

Belgian rate is for convertible francs. Financial franc 81.95-82.05. Six-month forward dollar 0.43-0.46c dis. 12-month 0.88-0.98c dis.

THE DOLLAR SPOT AND FORWARD

Dec 30	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.4460-1.4535	1.4510-1.4520	0.06-0.11c dis	−0.70	0.23-0.28dis	−0.70
Ireland†	1.1305-1.1390	1.1346-1.1360	0.26-0.18c pm	1.97	0.68-0.54 pm	1.79
Canada	1.2440-1.2454	1.2448-1.2451	0.04-0.02c pm	0.28	0.08-0.06 pm	0.22
Nethlnd.	3.0575-3.0675	3.0575-3.0625	1.02-0.92c pm	3.79	3.00-2.85 pm	3.81
Belgium	55.55-55.72	55.55-55.65	2.5-4 dis	−0.70	14-18 dis	−1.14
Denmark	9.8575-9.8900	9.8575-9.8675	0.½ore dis	−0.30	0-½ dis	−0.10
W. Ger.	2.7160-7.2315	2.7220-2.7230	0.97-0.90pf pm	4.14	2.77-2.67 pm	4.00
Portugal	132.25-133.25	132.80-133.10	80-200c dis	−12.60	300-650dis	−14.25
Spain	156.0-157.0	156.75-156.90	115-150c dis	−10.13	350-410 dis	−9.68
Italy	1655.0-1659.5	1655.0-1658.0	9-10lira dis	−6.87	29-30 dis	−7.11
Norway	7.7020-7.7150	7.7050-7.7150	2-2½ore dis	−3.50	5.4-5.9 dis	−2.93
France	8.3150-8.3500	8.3150-8.3200	1.75-2.00c dis	−2.69	6.90-7½ dis	−3.45
Sweden	8.0050-8.0170	8.0070-8.0170	1.00-1.20ore dis	−1.64	3.15-3.35dis	−1.62
Japan	231.40-232.20	231.50-231.60	0.76-0.71y pm	3.78	2.03-1.97 pm	3.45
Austria	19.17-19.26	19.17-19.22	6½-5½gro pm	3.74	18-15 pm	3.43
Switz.	2.1760-2.1840	2.1800-2.1810	1.28-1.18c pm	6.77	3.29-3.19 pm	5.94

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

Belgian rate is for convertible francs. Financial franc 56.45-56.55.

OTHER CURRENCIES

Dec. 30	£	$		£ Note Rates
Argentina Peso	33.49-33.89	23.06-23.46	Austria	27.70-28.00
Australia Dollar	1.6093-1.6205	1.1117-1.1135	Belgium	81.45-82.25
Brazil Cruzeiro	1,411.7-1,431.7	971.50-991.50	Denmark	14.23-14.36
Finland Markka	8.4185-8.4445	5.8140-5.8170	France	12.02-12.14
Greek Drachma	144.0-144.60	98.40-98.90	Germany	3.94-3.97
Hong Kong Dollar	11.27-11.27¾	7.7775-7.7805	Italy	2386-2415
Iran Rial	126.60*	88.30*	Japan	336-359
Kuwait Dinar (KD)	0.4245-0.4250	0.29275-0.29298	Netherlands	4.42-4.45
Luxembourg Fr.	80.55-80.75	55.58-55.60	Norway	11.10-11.21
Malaysia Dollar	3.38-3.38¾	2.3320-2.3350	Portugal	186-203
New Zealand Dlr.	2.2053-2.2231	1.5255-1.5278	Spain	224¼-235
Saudi Arab. Riyal	5.0750-5.0800	3.500-3.5007	Sweden	11.55-11.66
Singapore Dollar	3.07-3.07¾	2.1190-2.1220	Switzerland	3.14-3.17
Sth. African Rand	1.7694-1.7798	1.2187-1.2202	United States	1.44-1.46
U.A.E. Dirham	5.3240-5.3295	3.6720-3.6730	Yugoslavia	205-222

* Selling rates.

EXCHANGE CROSS RATES

Dec. 29	Pound St'rling	U.S. Dollar	Deutschem'k	Japanese Yen	French Franc	Swiss Franc	Dutch Guild	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	1.452	3.955	336.5	12.07	3.165	4.445	2401.	1.806	80.70
U.S. Dollar	0.689	1.	2.726	231.8	8.316	2.181	3.062	1654.	1.244	55.60
Deutschemark	0.253	0.367	1.	85.08	3.052	0.800	1.124	607.1	0.457	20.40
Japanese Yen 1,000	2.972	4.314	11.75	1000.	35.87	9.406	13.21	7135.	5.366	239.8
French Franc 10	0.829	1.203	3.277	278.8	10.	2.622	3.683	1989.	1.496	66.86
Swiss Franc	0.316	0.459	1.250	106.3	3.814	1.	1.404	758.6	0.570	25.50
Dutch Guilder	0.225	0.327	0.890	75.70	2.715	0.712	1.	540.2	0.406	18.16
Italian Lira 1,000	0.416	0.605	1.647	140.1	5.027	1.318	1.851	1000.	0.752	33.61
Canadian Dollar	0.554	0.804	2.191	186.4	6.685	1.753	2.462	1330.	1.	44.70
Belgian Franc 100	1.239	1.799	4.901	417.0	14.96	3.922	5.508	2975.	2.237	100.

MONEY MARKETS

Further shortage

Day to day credit was in short supply in the London money market yesterday. The Bank of England forecast a shortage of around £100m with factors affecting the market including maturing assistance and a take up of Treasury bills together draining £573m and a rise in the note circulation of £127m. These were partly offset by Exchequer transactions of £590m.

The Bank gave assistance in the morning of £105m, comprising purchases of £4m of eligible bank bills in band 1 (up to 14 days) at 9⅛ per cent and £101m in band 2 (15-33 days) at 9 per cent. There was no further help given during the afternoon but the Bank did provide a late round of assistance of £50m.

UK clearing banks' base lending rate 9 per cent (since October 4 and 5)

Three-month interbank money was quoted at 9⅞ per cent unchanged from Thursday and three-month eligible bank bills were bid at 8¾ per cent also unchanged from Thursday. Short term interbank money traded between a high of 9¼ per cent and a low of 2 per cent. Trading was extremely quiet and uneventful ahead of the year end. The average rate of discount at yesterday's Treasury bill tender fell to 8.8391 per cent down 0.0222 per cent. The £100m of bills on offer attracted bids of £481.95m and all bills offered were allotted. The minimum accepted bid was £97.795 and bids at that level were met as to about 75 per cent. Next week a further £100m of bills will be on offer, replacing a similar amount of maturities.

In Frankfurt the Bundesbank announced a 34-day sale and repurchase agreement with a set minimum rate of 5.3 per cent. Funds will reach the market on Tuesday, helping to replace a maturing agreement of DM 8.9bn and a further DM 7.2bn on January 9. Short term money was sharply higher in Frankfurt yesterday as banks scrambled for funds ahead of the year end in order to meet reserve requirements. Short-term money was quoted at 6-6¼ per cent compared with 5.5-5.6 per cent on Thursday.

LONDON MONEY RATES

Discount Houses Deposit and Bill Rates

Dec. 30 1983	Sterling Certificate of deposit	Interbank	Local Authority deposits	Company Deposits	Market Deposits	Treasury (Buy)	Treasury (Sell)	Eligible Bank (Buy)	Eligible Bank (Sell)	Fine Trade (Buy)
Overnight	—	2-9¼	9	7½-9¼	8-9	—	—	—	—	—
2 days notice	—	—	9⅛	—	—	—	—	—	—	—
7 days or 7 day notice	—	8¾-9⅛	9⅛-9¼	9¼-9⅜	9	—	—	—	—	—
One month	9⅛-9⅜	9⅛-9⅜	9¼	9⅝	9	9	8⅞	9	8⅞	9
Two months	9⅜-9¼	9¼-9⅜	9⅜	9⅛	9	8⅞	8⅞	8⅞	8⅞	9
Three months	9⅜-9¼	9⅜-9⅞	9⅝	9⅞	9	8⅞	8⅞	8⅞	8⅞	9
Six months	9⅝-9⅝	9½-9⅝	9½	—	—	—	—	8⅞	8⅞	9
Nine months	9½-9⅝	9⅝-9⅞	9¾	—	—	—	—	—	—	—
One year	9⅞-9½	9¾-9⅞	9¾	—	—	—	—	—	—	—

	Local Auth. negotiable bonds	Local Authority Deposits	Finance House Deposits	$ Certs of Deposits	SDR Linked Deposits	ECU Linked Deposits
One month	9¾-9½	—	9⅛	9.60-9.70	8⅝-9⅞	8⅝-8⅞
Two months	9⅝-9½	—	9⅛	9.65-9.75	8¾-9	8⅞-9⅛
Three months	9¾-9½	—	9⅝	9.70-9.80	8⅞-9⅛	9⅛-9⅜
Six months	9½-9¼	—	9⅝	9.85-9.95	9⅛-9⅜	9⅝-9⅝
Nine months	9⅞-9⅝	—	9⅞	10.05-10.15	—	—
One year	9¾-9½	—	10	10.15-10.25	9⅛-9⅜	9⅝-9⅞
Two years	—	10⅛	—	—	—	—
Three years	—	10¾	—	—	—	—
Four years	—	11	—	—	—	—
Five years	—	11¼	—	—	—	—

ECGD Fixed Rate Export Finance Scheme IV Average Rate for interest period November 2 to December 6 1983 (inclusive) 9.350 per cent. Local authorities and finance houses seven days' notice, others seven days' fixed. Finance Houses Base Rates (published by the Finance Houses Association): 9½ per cent from December 1 1983. London and Scottish Clearing Bank Rates for lending 9 per cent. London Deposit Rates for sums at seven days' notice 5½ per cent. Treasury Bills: Average tender rate of discount 8.8391 per cent. Certificates of Tax Deposit (Series 6). Deposits of £100,000 and over held under one month: 9¼ per cent; one-three months 9½ per cent; three-six months 9¾ per cent; six-12 months 10¼ per cent. Under £100,000 9¼ per cent from December 14. Deposits held under Series 4-5 10 per cent. The rate for all deposits withdrawn for cash 8 per cent.

FT LONDON INTERBANK FIXING

LONDON INTERBANK FIXING 11.00 a.m. December 30)

3 months U.S. dollars

bid 9 15/16	offer 9 15/16

6 months U.S. dollars

bid 10	offer 10 1/8

The fixing rates are the arithmetic means, rounded to the nearest one sixteenth, of the bid and offered rates for $10m quoted by the market to five reference banks at 11 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

EURO-CURRENCY INTEREST RATES (Market closing rates)

Dec. 30	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	Italian Lira	Belgian Franc Conv.	Belgian Franc Fin.	Yen	Danish Kroner
Short term	9-9⅛	9½-9¾	8½-9	5⅝-5¾	1¼-1⅝	5¾-5⅞	12¼-12½	—	9½-10	9½-10	6⅛-6¼	9⅝-10
7 day's notice	9¼-9⅜	9⅝-9⅞	8¾-9¼	5¾-5⅞	2¼-2½	5⅜-5⅞	12¼-12½	14½-16½	10-10½	10-10½	6¼-6⅜	10⅝-11
Month	9⅛-9¼	9⅝-9⅞	9¼-9½	5⅞-5⅞	2⅜-2½	5⅝-5⅞	12⅛-12⅜	15⅝-16⅝	10¼-10¾	10⅝-10⅝	6⅜-6½	11¼-11
Three months	9⅜-9½	9⅞-10⅛	9⅜-9⅝	6-6⅛	3⅝-3¾	5⅞-6⅛	13¼-13½	16½-17¼	10¾-11¼	10⅞-11⅛	6⅜-6⅝	11⅛-11
Six months	9½-9⅝	9⅞-10⅛	9¾-9⅞	6⅛-6⅜	3½-3⅝	6⅛-6¼	14⅛-14⅜	17¼-18	11-11½	11-11¼	6⅜-6½	10⅞-11
One Year	9⅞-9⅞	10¼-10⅜	9⅞-10	6⅜-6⅝	3⅜-3⅝	6⅜-6½	14⅜-14⅝	17⅞-18½	11-11½	11⅛-11⅜	6⅜-6⅝	10⅜-11

Asian $ (closing rates in Singapore): Short-term —— per cent; seven days —— per cent; one month 10⅛-10¼ per cent; three months 10⅛-10⅜ per cent; six months 10⅜-10⅝ per cent; one year 10½-10⅝ per cent. Long-term Eurodollars two years 11⅜-11½ per cent; three years 11⅞-12 per cent; four years 12-12¼ per cent; five years 12⅛-12½ per cent nominal closing rates. Short-term rates are call for U.S. dollars and Japanese yen; others two days' notice.

COMMODITIES AND AGRICULTURE

WEEKLY PRICE CHANGES

	Latest prices per tonne unless stated	Ch'nge on week	Year ago	1983 High	1983 Low
METALS					
Aluminium	£1100	—	£810/815	£1100	£810/815
Free Markets c.i.f.	$1580/1610	—	$975/1005	$1655/1685	$995/102
Antimony					
Free Market 99.6%	$2500/2600	—	$1825/1825	$2500/2600	$1750/810
Copper-Cash High Grade	£980.75	+1	£932	£1151.5	£907.75
3 months Do. Do.	£1005.75	+1	£957.75	£1177.25	£931.25
Cash Cathodes	£962.5	+2.75	£894.5	£1115.5	£899
3 months Do.	£985.75	+1	£924	£1145.5	£913.5
Gold per oz	$382.00	+1.875	$454.5	$508.5	$375.875
Lead Cash	£290.375	+10.625	£294	£316	£257
3 months	£299.875	+10.75	£305.25	£326.125	£266.75
Nickel	£4815	—	£4155.5	£4835	£4584
Free Markets c.i.f. lb.	205/225c	—	160/10c	235/285c	162/182c
Palladium per oz	$159	−8.0			
Platinum per oz	£269.85	−0.95	£260	£318.95	£244.60
Quicksilver (76lbs.)	$303/312	—	$350/360	$345/355	$357/285
Silver per oz	614.25p	−5.60	618.55p	948.65p	560.25p
3 months per oz	627.90p	−3.55	698.55p	978.10p	572.85p
Tin cash	£8452.5	+70	£7422.5	£9,290.5	£7392.5
3 months	£8513.5	+71	£7435.5	£9,291	£7402.5
Tungsten Ind	$74.70	—	$102.80	$92.25	$72.17
Wolfram (22.04 lb.)	$70/40	—	$78/82	$90/92	$67/72
Zinc cash	£617.75	+14.25	£415.5	£608.5	£423.5
3 months	£678.75	+11.50	£427.75	£623.125	£436.25
Producers	$980	—	$800	$980	$750
GRAINS					
Barley Futures	£122.90y	+0.45	£114.40	£124.35	£109.35
Maize French	£148.00	—	£144.50	£161.00	£141.00
WHEAT Futures	£122.20	−0.30	£121.20	£138.35	£116.10
Hard Winter Wheat	‡	—	‡	‡	‡
SPICES					
Cloves (g)	£5,500w	—	£6,000	£6,900	£5,500
Pepper, white	$3,300w	−75	$1,800	$3,375	$1,700
black	$2,200w	−50	$1,375	$2,250	$1,200
OILS					
Coconut (Philippines)	$1040	+15	$445	$1,070	$450
Groundnut 5%	‡	—	$455	$1,100	$435
Linseed, Crude	‡	—	$308	£536.30	£308
Palm Malayan	$755z	+40	$375	$755	$365
SEEDS					
Copra (Philippines)	$685w	+0.15	$300	$695	$295
Soyabeans (U.S.)	$331.2z	+5.2	$236	$371.5	$233.5
OTHER COMMODITIES					
Cocoa Shipments §	£2,076.5	+62.5	£1,130	£2,076.5	£1,127
Cocoa Futures Mar.	£2,016.5	+63.5	£1,107.5	£2,016.5	£1,109
Coffee Futures Mar.	£1,897.5	−49.5	£1,602.5	£2,020.5	£1,543.5
Cotton Index	89.20c	+0.15	70.55c	92.35c	70.35c
Des. Coconut	£990	+10	£500	£990	£510
Gas Oil Fut. Jan.	$251.50	+7.25	$281.25	$277.5	$220
Jute UA BWD grade	$485v	−5	£340	‡	‡
Rubber kilo	84.50p	−0.50	49.75p	86.50p	50p
Sago Pearl	£295w	—	£235	£293	£242
Sisal No. 3L	$640v	−10	$650	$675	$620/630
Sugar (Raw)	£124.00y	−2.5	£102	£193.5	£95
Tapioca No. 1	£316w	—	£250	£318	£315
Tea (quality) kilo	‡	—	‡	280p	137p
(low med.) kilo	‡	—	‡	233p	115p
Wooltops 64s Warp	423p kilo	—	372p kilo	423p kilo	372p kilo

‡ Unq. (z) Jan. (x) Feb. (y) Mar. (v) Dec-Jan. (w) Jan-Feb. (g) Madagascar. § Ghana cocoa.

LONDON OIL

SPOT PRICES

	Latest	Change + or −
CRUDE OIL—FOB ($ per barrel)		
Arabian Light	28.45	−0.02
Iranian Light	27.62	−0.05
Arab Heavy	26.87	−0.05
North Sea (Forties)	29.2	−0.16
North Sea (Brent)	29.35	—
African (Bonny Light)	29.40	+0.15
PRODUCTS—North West Europe CIF ($ per tonne)		
Premium gasoline	282	—
Gas oil	251	+0.5
Heavy fuel oil	176	+0.25

CRUDE OIL FUTURES

Month	Yest'day's close	+ or −	Business Done
	$ U.S. per barrel		
Feb	28.93	+0.45	[illegible]
Mar	28.75	−0.18	28.70
April	28.55	−0.15	—
May	28.55	−0.15	—
June	29.47	[illegible]	—

GAS OIL FUTURES

Month	Yest'day's close	+ or −	Business Done
	$ U.S. per tonne		
Dec	—		248.25-47.25
Jan	251.50	+1.80	251.75-49.50
Feb	249.125	+0.625	249.75-47.25
Mar	245.875	+0.125	245.00-41.75
April	238.60	−1.00	239.50-33.50
May	235.125	−1.675	237.50-34.50
June	234.50	−1.25	234.75-34.75
July	235.00	−1.50	-
Aug	235.00	+5.00	-

Turnover: 1,505 (2,836) lots of 100 tonnes.

GOLD MARKETS

Gold fell just $1 an ounce from Thursday's close in the London bullion market yesterday to finish at $381¾-382¼. The wide quotation reflection the lack of volume with the market closing early. There was no afternoon fixing. The metal opened at $381¾-382¼ and was confined to this range throughout the day.

LONDON FUTURES

Month	Yest'rday's close	+ or −	Business Done
	$ per troy ounce		
Jan	381.50-82.10	—	—
Feb	382.60-83.40	−2.75	385.90-83.60
April	389.00-90.00	−2.56	—
June	396.00-96.40	−2.26	—
Aug	402.50-03.00	−3.10	—
Oct	409.10-09.50	−1.35	—

	Dec. 30		Dec. 29	
Gold Bullion (fine ounce)				
Close	$381¾-382¼	(£263¼-263¾)	$381¾-382½	(£263¾-264¼)
Opening	$381¾-382¼	(£263¼-263¾)	$378¾-379½	(£263¼-264)
Morning fixing	$381.80-263.975		$379	(£263.012)
Afternoon fixing	—		$382.40	(£264.150)

Gold and Platinum Coins Dec. 30

Krugerrand	$395.75-396.75	(£271¼-271¾)	King Sov	$91.92½ (£63¼-63½)
½ Krug	[illegible]	[illegible]	Victoria Sov	$91.92½ (£63¼-64)
¼ Krug	[illegible]	[illegible]	French 20s	$75.5-85.5
1/10 Krug	[illegible]	[illegible]	50 pesos Mex	$462¼-466.4
Mapleleaf	[illegible]	[illegible]	100 Cor. Aust	$372-375
New Sov.	[illegible]	[illegible]	$20 Eagles	$520-540
½ New Sov.	[illegible]	[illegible]	Noble Plat	$405.50-410.50

REVIEW OF THE WEEK

Metal markets end year on buoyant note

BY OUR COMMODITIES STAFF

LONDON METAL markets ended 1983 on a buoyant note. Zinc values on the London Metal Exchange moved to the highest level for 9½ years, and there was a sharp rise in lead prices reflecting reports that the cold spell in the U.S. may increase demand for batteries.

U.S. producers yesterday announced domestic price increases for lead yesterday, up by 2 cents to 28 cents a lb, and there was a general rise in U.S. copper prices 1 cent to 68/69 cents a lb.

Tin prices also rallied strongly in London yesterday as the buffer stock of the International Tin Council resumed support buying after appearing to withdraw earlier in the week. Standard grade cash tin gained £115 yesterday to close at £8,452.5 a tonne, 670 up on a week ago.

The buffer stock manager strongly denied market rumours that his resources were becoming exhausted as a result of the heavy support buying required recently both in London and Penang, where the Straits tin price is just above the "floor" level set by the International Tin Agreement.

Star performer on the LME was once again zinc, with the cash price gaining £14.25 to £617.75 a tonne, the highest level since 1974. Supplies of zinc, particularly special high-grade quality, remain tight and stocks are gradually declining.

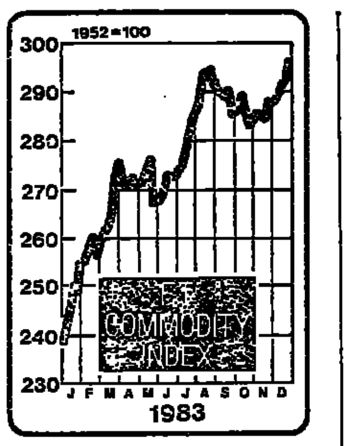
Lead values also moved up strongly; the cash price advanced by £10.625 to £290.375 a tonne. The main impetus was provided by suggestions that the cold snap in the U.S. could boost demand for batteries, made abnormally vulnerable to frost damage by the long, hot spell earlier this year. The market was also boosted by unconfirmed rumours of Chinese buying interest.

The cold spell in the U.S. also brought sharp gains in a little known market—orange juice futures in New York. It is feared that a large slice of the Florida orange crop, just being picked, may have been damaged by the sudden frost. Yesterday the Florida Citrus Commission said it will ban exports of fresh citrus fruit from the state to prevent frost-damaged fruit from reaching retail markets. On the New York futures market orange juice prices rose the permissible limit (of 5 cents a lb) for three successive days but gains were pared yesterday by profit-taking sales.

In the U.K. potato futures lost further ground with the mild weather helping late lifting and depressing demand. The April position closed the shortened week £8.40 down at £172.30 a tonne.

Cocoa prices on the London futures market surged to new five-year peaks on continuing fears about shortfalls in West African crops. The March position closed the week £63.5 higher at £2,016.5 a tonne breaking through the £2,000 a tonne barrier.

Coffee values in contrast eased reflecting a lack of consumer buying interest and fears of a further rise in International Coffee Agreement export quotas if the market moved any higher. The March futures position of the London Robusta market ended the week £49.5 lower at £1,897.5 a tonne.



BASE METALS

Amalgamated Metal Trading reported that in the morning cash Higher Grade traded at £980.5, 81, three months £1,004, 04.5, 05, 05.5, 06. Cathodes, three months £986. Kerb: Higher Grade: Three months £1,006, 05.5, 06, 06.5, 07, 06.5. Turnover: 14,300 tonnes.

COPPER

COPPER	a.m. Official	+ or −	p.m. Unofficial	+ or −†
High Grde	£	£	£	£
Cash	980.5-1	+7	—	......
3 months	1005.5-6	+5	—	......
Settlem't	981	+7	—	—
Cathodes				
Cash	962-3	−3	—	......
3 months	985.5-6	−6	—	......
Settlem't	963	......	—	
U.S. pro'd	—	—	*97-70	......

TIN

Tin—Standard: Three months £8,570, 80, 85, 90, 95, 8,600, 05, 06, 10, 15. Higher Grade, Cash £8,530, three months £8,600, 20, 21, 30, 50, 45, 50. Kerb: Standard: Three months £8,620, 15, 10, 8,600, 8,595, 90. Turnover: 1,375 tonnes.

TIN	a.m. Official	+ or −	p.m. Unofficial	+ or −†
High Grde	£	£	£	£
Cash	8525-35	+122	—	......
3 months	8645-55	+97.5	—	......
Settlem't	8535	+75	—	......
Standard				
Cash	8450-55	−55	—	......
3 months	8612-15	−15	—	......
Settlem't	8455		—	......
Straits E.	$29.17	+0.02	—	......
New York				

LEAD

Lead—Morning: Three months £299, 99.5, 300, 299.75, 99.5, 300, 299.75, 300. Kerb: Three months £299.5, 300, 299.5. Turnover: 11,700 tonnes.

LEAD	a.m. Official	+ or −	p.m. Unofficial	+ or −†
	£	£	£	£
Cash	290.375	+7.62	—	......
3 months	299.875	+7.12	—	......
Settlem't	290.50	+8.5	—	......
U.S. Spot	—	......	*24-8	......

ZINC

Zinc—Morning: Three months £628, 29, 28, 27.5, 28, 28.5. Kerb: Three months £628.5. Turnover: 6,725 tonnes.

ZINC	a.m. Official	+ or −	p.m. Unofficial	+ or −†
	£	£	£	£
Cash	617.5-18	+9	—	......
3 months	628.5-29	+6	—	......
Settlem't	618	+9	—	......
Prim w'ts	—		—	

ALUMINIUM

Aluminium—Morning: Cash £1,087, three months £1,111, 11.5, 12, 11.5, 12.5, 13, 13.5, 14, 15, 16, 16.5, 16, 15.5, 15, 14.5. Kerb: Three months £1,116, 16.5, 17. Turnover: 6,500 tonnes.

Aluminim	a.m. Official	+ or −	p.m. Unofficial	+ or −†
	£	£	£	£
Spot	1087-8	+9.25	—	......
3 months	1114.5-15	+8.25	—	......

NICKEL

Nickel — Morning: Three months £3,295, 3,315, 20, 15, 10, 13, 15, 20, 25, 22, 20. Kerb: Three months £3,315, 20, 30, 22. Turnover: 456 tonnes.

NICKEL	a.m. Official	+ or −	p.m. Unofficial	+ or −†
Spot	3230-5	+20	—	......
3 months	3310-20	+22.5	—	......

* Cents per pound. ‡ MS per kilo. † On the previous unofficial close.

SILVER

Silver was fixed 3.65p an ounce higher for spot delivery in the London bullion market yesterday at 614.25p. U.S. cent equivalents of the fixing levels were: spot 891c, up 10.5c; three-month 912.3c, up 11.2c; six-month 936.3c, up 11c; and 12-month 966.4c, up 11.6. The metal closed at 614-617½p (890-895c).

SILVER per troy oz.	Bullion fixing price	+ or −	L.M.E. p.m. Unoffic'l	+ or −
Spot	614.25p	−5.65	624p	−8.5
3 months	627.90p	+4.00	634.25p	+4.75
6 months	643.50p	−3.78	—	......
12 months	675.55p	−3.75	—	......

LME — Silver (2,000 oz contract) — Three months 634.25p (636.5p). Turnover: nil (same)

Turnover: 54 (28) lots of 10,000 ozs.

COCOA

COCOA	Yesterday's Close	+ or −	Business Done
	£ per tonne		
Dec	......		—
March	2016-17	+50.5	2022-95
May	1990-91	+30.0	1998-75
July	1970-74	+31.5	1980-65
Sept	1938-46	+20	1950-42
Dec	1902	+21.5	1906-88
March	1885	−29	1885-60

Sales: 6,267 (5,534) lots of 10 tonnes.

ICCO Indicator prices (U.S. cents per pound). Daily price for Dec 29 127.76 (125.35): five-day average for Jan 3 124.43 (123.04).

COFFEE

COFFEE	Yest'day's Close	+ or −	Business Done
January	1949-52	−12.0	1960-40
March	1896-99	−6.0	1905-93
May	1826-27	−9.5	1830-14
July	1788-89	−10.5	1787-76
Sept	1757-60	−5.5	1760-57
Nov	1729-35	+2.0	—
January	1695-10	−2.5	—

Sales: 1,072 (4,591) lots of 5 tonnes.

ICO Indicator prices (U.S. cents per pound) for Dec 29: Comp. daily 1979 137.57 (132.45); 15-day average 140.11 (140.23).

GRAINS

Business done—Wheat: Jan 119.65-9.30, March 122.35-2.00, May 125.30-4.90, July 128.30-8.00, Sept 112.30 only, Nov 115.30 only. Sales: 191 lots of 100 tonnes. Barley: Jan 120.70-0.50, March 123.00 only, May 124.85-4.65, Sept untraded, Nov untraded. Sales: 137 lots of 100 tonnes.

Mnth.	WHEAT Yesterdy's close	+ or −	BARLEY Yest'day's close	+ or −
Jan	119.60	−0.15	120.75	−0.40
Mar	122.20	......	120.90	+0.05
May	125.30	+0.15	124.70	−0.05
July	128.20	+0.10	—	—
Sept	112.40	+0.40	110.25	−0.55
Nov	115.40	+0.45	113.25	−0.55

LONDON GRAINS—Wheat: U.S. Dark Northern Spring No. 1 14 per cent Feb-March 147, April-May 137.25, Trans Shipment East Coast sellers. English feed fob Jan 125, East Coast seller. Maize: French Dec-Jan 148, Jan-March 149, East Coast sellers. Barley: English feed fob Jan 125 East Coast seller.

POTATOES

Month	Yesterdy's close	Previous close	Business Done
	£ per tonne		
Feb	148.80	150.20	150.50-149.5
April	172.30	172.20	172.5-171.6
May	183.30	183.20	183.5-182.5
Nov	75.30	75.80	75.60
Feb	85.00	85.50	85.00

Sales: 232 (568) lots of 40 tonnes.

RUBBER

No. 1 R.S.S.	Yesterdy's close	Previous close	Business Done
	£ per tonne		
Feb	849-850	849-850	—
Mch	850-852	850-852	—
Apl-Jne	855-856	857-859	861-854
Jly-Sept	865-866	867-869	870-864
Oct-Dec	875-878	877-879	882-882
Jan-Mch	884-888	886-890	—
Apl-Jne	895-898	897-900	897-897
Jly-Sept	906-910	908-912	—
Oct-Dec	917-924	919-925	—

Sales: 49 (36) lots of 15 tonnes; 14 (1) lots of 5 tonnes.

Physical closing prices (buyers) 84.50p (84.25p); Feb 85.50p (85.00p); March 85.75p (85.25p).

SOYABEAN MEAL

	Yestday's close	+ or −	Business Done
	£ per tonne		
Feb	125.70-27.00	−0.85	126.70-26.60
April	157.00-88.50	−1.60	—
June	153.50-85.50	−1.15	—
August	162.50-84.50	+0.10	—
October	175.00-76.00	−1.00	—
Dec	165.00-66.00	−1.00	—
Feb	161.00-70.00	−0.50	—

Sales. 6 (nil) lots of 100 tonnes.

INDICES

FINANCIAL TIMES

Dec. 30	Dec. 29	M'th ago	Y'ar ago
298.51	297.02	288.10	259.66

(Base: July 1 1952=100)

REUTERS

Dec. 30	Dec. 29	M'th ago	Y'ar ago
1975.9	1972.5	1935.0	1580.3

(Base: September 18 1931=100)

MOODY'S

Dec. 29	Dec. 28	M'th ago	Year ago
1065.9	1058.3	1033.1	1011.1

(December 31 1931=100)

DOW JONES

Dow Jones	Dec. 29	Dec. 28	Month ago	Year ago
Spot	140.59	139.92	138.29	135.24
Fut's	142.29	142.47	146.19	139.48

(Base: December 31 1974=100)

SUGAR

LONDON DAILY PRICE—Raw sugar £124.00 (£123.00) a tonne for Dec-Jan-Feb shipment. White sugar £151.00 (£150.75).

No. 4 Contract	Yestday's close	Previous close	Business done
	£ per tonne		
Mar	142.50-42.75	142.50	144.00-42.00
May	148.25-49.50	149.00-49.50	150.00-48.00
No. 6 Contract	$ per tonne		
Mar	208.00-08.20	207.40-08.00	208.80-06.60
May	216.80-17.40	216.40-17.00	218.00-15.60
Aug	224.40-25.40	224.00-25.00	225.00-24.00
Oct	231.40-33.00	232.00-33.00	232.80-32.40
Dec	238.20-41.20	239.00-41.00	—
Mar	253.20-54.00	252.00-54.00	—
May	261.00-63.00	259.00-62.00	—

Sales: No 4 794 (1,666); No 6 2,072 (2,443) lots of 50 tonnes.

Tate and Lyle delivery price for granulated basis sugar was £230.50 (£230.00) a tonne for export.

International Sugar Agreement—(U.S. cents per pound fob and stowed Caribbean ports). Prices for December 30. Daily price 7.16 (7.01); 15-day average 7.52 (7.59).

WOOL FUTURES

SYDNEY GREASY WOOL—Close (in order: buyer, seller, business). Australian cents per kg. Mar 565.0, 567.0, nil; May 580.0, 582.0, 581.0-581.0; July 590.0, 594.0, 590.0-590.0; 590.0; Oct 582.0, 584.0, nil; Dec 592.0, 594.0, nil; Mar 604.0, 614.0, nil; May 607.0, 630.0, nil. Sales: 4.

LONDON NEW ZEALAND CROSS-BREDS—Close (in order, buyer, seller business). New Zealand cents per kg. Jan 403, 410, 410; March 424, 425, 425; May 430, 438, 438; Aug 453, 455, 455-454; Oct 455, 458, 457-456; Dec 462, 465, 465-462; Jan 465, 469, nil; March 468, 472, nil; May 472, 478, nil. Sales: 28.

AMERICAN MARKETS

NEW YORK, Dec 30

Coffee prices were slightly higher on pre-weekend evening up and light short covering. Sugar prices finished moderately higher on short covering following an official forecast that the Indian crop would come in below early expectations. Cocoa prices moved up strongly on continued concern about the status of the West African crops. Heating oil erased early gains on weakening spot crude oil prices and on indications of moderating temperatures. Copper prices closed very strong with impressive gains triggered by expectations that resumption of Chinese buying could be expected next year. Aluminium finished moderately higher on good trade and commission house support. Cotton prices were weak on technical selling and on forecasts of moderating weather conditions which should lead to better country deliveries. Precious metals closed moderately higher with support from speculative buying but dealers preferred to remain on the sidelines ahead of the long weekend. Soyabeans rallied sharply on the close on reports of adverse weather in Argentina and Brazil. Grains suffered from increasing commercial hedging leaving maize fractionally lower and wheat mostly unchanged, reports Heinold Commodities.

NEW YORK

ALUMINIUM 40,000 lbs; cents/lbs

	Latest	High	Low	Prev
March	7780	7780	7760	7720
May	7820	7820	7820	7775
July	7910	7925	7925	7870
Sept	8005	—	—	7970
Dec	8145	—	—	8120
Jan	8190	—	—	8170
March	8295	—	—	8270
May	8380	—	—	8370
July	8475	—	—	8470
Sept	8570	—	—	8570

COCOA 10 tonnes; $/tonnes

	Latest	High	Low	Prev
March	2755	2759	2740	2720
May	2727	2734	2715	2691
July	2711	2715	2705	2678
Sept	2690	2690	2680	2670
Dec	2630	2635	2610	2593
March	2602	—	—	2565

COFFEE "C" 37,000 lbs: cents/lb

	Latest	High	Low	Prev
March	138.79	139.24	138.62	138.71
May	135.94	136.00	135.35	135.44
July	133.65	134.00	133.50	133.50
Sept	131.50	131.50	131.50	132.63
Dec	129.75	129.75	129.00	129.60
March	128.23	—	—	128.13
May	126.75	—	—	127.00

COPPER 25,000 lbs; cents/lbs

	Latest	High	Low	Prev
Jan	65.75	65.20	64.80	64.60
Feb	66.35	—	—	65.25
March	67.00	67.10	65.90	65.90
May	68.30	68.30	67.20	67.15
July	69.65	69.70	68.70	68.45
Sept	71.00	70.60	70.00	69.80
Dec	73.05	73.20	72.00	71.85
Jan	73.75	—	—	72.55
March	75.10	74.25	74.15	73.90
May	76.40	—	—	75.25

COTTON 50,000 lbs, cents/lb

	Close	High	Low	Prev
March	77.11	77.50	77.06	77.65
May	78.42	78.85	78.25	78.90
July	79.10	79.60	79.10	79.80
Oct	74.44	74.60	74.44	74.84
Dec	73.12	73.55	73.10	73.50
March	74.15	—	—	75.00
May	74.80	—	—	75.40

CRUDE OIL (LIGHT) 42,000 U.S. gallons, cents/U.S. gallons

	Close	High	Low	Prev
Feb	29.60	29.80	29.36	29.66
March	29.20	29.50	28.98	29.30
April	28.85	29.25	28.70	29.08
May	28.70	29.08	28.58	28.95
June	28.60	28.98	28.78	28.85
July	28.50	28.90	28.90	28.75
Aug	28.40	28.75	28.75	28.75
Sept	28.30	28.75	28.60	28.85
Oct	28.20	28.60	28.60	28.80

GOLD 100 troy oz, $/troy oz

	Close	High	Low	Prev
Jan	385.1	385.0	381.1	—
Feb	388.0	388.5	383.8	385.5
March	391.3	—	—	—
April	394.4	395.0	390.2	391.9
June	400.9	402.0	396.5	398.4
Aug	407.5	407.5	404.8	405.1
Oct	414.4	414.0	411.5	412.0
Dec	421.4	421.0	417.8	419.0
Feb	428.6	428.5	424.7	426.2
April	435.9	435.5	432.0	433.5
June	443.6	443.3	439.8	441.3
Aug	451.6	—	—	449.3
Oct	459.8	—	—	457.5

HEATING OIL 42,000 U.S. gallons; cents/U.S. gallons

	Close	High	Low	Prev
Jan	84.24	85.00	84.00	84.35
Feb	82.65	82.80	81.65	82.28
March	79.30	80.25	78.70	79.71
April	76.29	77.00	75.00	76.56
May	73.60	74.60	73.35	74.89
June	73.42	74.95	73.70	74.70
July	73.62	75.00	75.00	74.90
Sept	74.95	—	—	76.95
Oct	75.70	—	—	77.70

ORANGE JUICE 15,000 lbs, cents/lbs

	Close	High	Low	Prev
Jan	140.90	45.25	40.00	39.75
March	144.75	48.55	44.50	40.55
May	146.00	48.00	45.00	41.50
July	145.35	49.50	45.00	41.75
Sept	145.40	49.80	46.90	41.90
Nov	144.00	47.95	44.70	39.95
Jan	139.20	42.70	38.00	35.80
March	138.70	39.90	39.90	36.90
May	38.30	—	—	34.90

PLATINUM 50 troy ozs, $/troy oz

	Close	High	Low	Prev
Jan	390.5	391.5	389.0	391.4
Feb	393.0	—	—	—
April	399.5	401.0	398.5	400.4
July	401.5	407.5	406.0	407.5
Oct	413.8	417.0	415.0	414.8
Jan	421.1	423.0	421.0	422.3

SILVER 5,000 troy oz, cents/troy oz

	Close	High	Low	Prev
Jan	902.0	891.0	891.0	893.[illegible]
Feb	908.5	—	—	900.[illegible]
March	915.5	920.0	904.0	907.0
May	931.0	932.0	919.0	922.5
July	946.6	947.0	935.0	939.[illegible]
Sept	962.5	964.0	950.0	954.0
Dec	986.7	985.0	974.0	976.[illegible]
Jan	995.0	985.0	985.0	989.[illegible]
March	11.85	—	—	3.2
May	1029.35	25.0	19.0	20.0

SUGAR WORLD "11" 112,000 lbs, cents/lb

	Close	High	Low	Prev
Jan	6.93	6.80	6.50	6.97
March	8.18	8.21	8.13	8.15
May	8.52	8.57	8.49	8.44
July	8.83	8.90	8.80	8.75
Sept	9.07	9.09	9.07	9.03
Oct	9.17	9.26	9.17	9.14
Jan	9.35	9.90	9.81	9.65
March	10.16	10.25	10.21	10.15

CHICAGO

LIVE HOGS 30,000 lbs, cents/lb

	Close	High	Low	Prev
Feb	51.30	51.30	50.90	51.25
April	48.70	48.50	48.15	48.45
June	53.00	53.12	52.85	53.10
July	53.37	53.30	53.37	53.67
Aug	52.90	53.20	52.70	52.90
Oct	50.95	51.20	50.75	51.00
Dec	52.70	52.35	51.93	52.20
Feb	52.92	52.92	52.70	52.95
April	51.85	51.85	51.85	51.85

MAIZE 5,000 bu min, cents/56lb-bushel

	Close	High	Low	Prev
March	337.2	339.0	336.4	337.6
May	340.2	341.0	339.0	340.2
July	340.4	341.2	339.4	340.0
Sept	313.4	314.0	312.2	312.4
Dec	295.0	295.4	294.0	294.4
March	305.4	305.4	304.4	305.[illegible]
May	311.6	—	—	311.4

PORK BELLIES 38,000 lbs, cents/lb

	Close	High	Low	Prev
Feb	61.85	62.52	61.60	62.95
March	61.65	62.60	61.65	62.62
May	63.70	64.45	63.55	64.25
July	64.30	64.95	64.30	65.32
Aug	63.30	63.95	63.27	63.30

SOYABEANS 5,000 bu min, cents/60-lb bushel

	Close	High	Low	Prev
Jan	814.4	815.0	804.4	807.0
March	832.6	833.4	822.0	827.0
May	843.4	844.0	833.4	839.4
July	849.0	849.4	838.4	843.4
Aug	835.4	835.0	827.0	832.0
Sept	774.4	776.0	767.0	772.4
Nov	725.4	726.4	716.0	722.0
Jan	738.4	738.4	731.0	734.0
March	751.0	751.0	745.0	746.0

SOYABEAN MEAL 100 tonns, $/ton

	Close	High	Low	Prev
Jan	224.7	225.0	223.0	224.4
March	225.1	225.4	223.3	225.4
May	225.0	225.2	223.3	225.5
July	225.0	225.0	223.0	224.8
Aug	224.5	224.5	220.0	221.0
Sept	216.0	216.0	211.0	212.8
Oct	193.8	195.9	193.5	195.2
Dec	195.0	195.9	195.0	195.2
Jan	193.0	199.0	199.0	195.5
March	199.0	199.0	198.0	—

SOYABEAN OIL 60,000 lbs, cents/lbs

	Close	High	Low	Prev
Jan	29.07	29.15	28.55	28.81
March	29.64	29.70	29.15	29.38
May	30.08	30.10	29.63	29.83
July	30.12	30.15	29.63	29.84
Aug	29.50	29.50	29.25	29.30
Sept	28.25	28.25	27.85	27.90
Oct	25.75	25.75	25.55	25.70
Dec	25.50	26.50	25.23	26.40
Jan	26.25	—	—	—

WHEAT 5,000 bu min, cents/60 lb bushel

	Close	High	Low	Prev
March	363.4	364.0	362.2	363.4
May	360.4	361.0	359.4	360.4
July	348.0	348.0	345.4	346.2
Sept	353.0	354.4	352.2	353.4
Dec	366.2	366.6	364.4	364.4
March	376.6	—	—	375.0

Details of business done below have been taken with consent from last Thursday's Stock Exchange Official List and should not be reproduced without permission.

Details relate to those securities not included in the FT Share Information Services.

Unless otherwise indicated, denominations are 25p and prices are in pence. The prices are those at which the business was done in the 24 hours up to 3.30 pm on Thursday and settled through the Stock Exchange Talisman system; they are not in order of execution but in ascending order which denotes the day's highest and lowest dealing prices.

For those securities in which no business was recorded in Thursday's Official List, the latest recorded business in the three previous days is given with the relevant date.

‡ Bargains at special prices. ⊕ Bargains done the previous day. Δ Bargains done with non-member or executed in overseas markets.

UK PUBLIC BOARDS

COMMONWEALTH GOVT.

FOREIGN STOCKS

(coupons payable London)

CORPORATIONS—FOREIGN

BANKS, DISCOUNT

BREWERIES

COMMERCIAL, INDUSTRIAL

A—B

C—D

E—F

Fisons 6½pcDb 1984-89 £82½ (23/12). 5¾pcLn 2004-09 £86¼
Folkes (J.) Hefo (5p) 19½
Ford Intnl Capital Corp 6pcLn 1981-87 £105. 7¼pcLn 1980-86 £137
Foseco Minsep 10pcLn 1990-95 £112
Futura Hldgs 135 7

G—H

GB Papers 50 ½ 1 2
Gaunt (R.) 140 (23/12)

I—J—K

L—M

N—O—P

NSS Newsagents 9pcPf (£1) 112 (23/12)
Nash Inds 63 (28/12)
Newman Inds 10pcPf (10p) 17 ½ (28/12)
Noble & Land (10p) 13½ (28/12)
North British Steel (Holdings) 20 2½
Northern Eng Inds. 8.25pcPf (£1) 98 (28/12). 8½pcLn 1988-93 £82½ (23/12)
Norton (W.E.) (Holdings) 11pcPf (£1) 242½
OK Bazaars (1929) 6pc2ndPf (R2) 25 (23/12)
O'eana Cons. 58 (28/12)
Oliver (G.) 267
Owen Owen 8pcLn 1986-91 £142

Q—R—S

T—U—V

Unilever 20pcPfd 44 (23/12). 6¼pcDb 1985-88 £86 ¼. 5¾pcLn 1991-2006 £53¾. 7¾pcLn 1991-2006 £70
Union Internat 6pcPf (£1) 40 (28/12). 7pc Pf (£1) 47½ (23/12)
United Biscuits (Hldgs) 8pcDb 1993-98 £77½ ¼ (28/12). 5¾pcLn 2003-08 £49
VG Instruments (10p) 133 4 6 7
Valor 5¼pcPf (£1) 124 (28/12)
Victoria Carpet Hldgs 20 1½

W—Y—Z

Walker (Thomas) 50) 12 3½

MINES—SOUTH AFRICAN

Anglovaal A (R0.50) £36 (23/12)
Coronation Syndicate (R0.25) 68
Western Deep Levels 12pcDbs 1986-93 (R1) (50.67) (28/12)

OIL

Britoil (10p) 193 5 7 8 9½‡ 200‡ 1‡ 2‡
Burmah Oil 7¼pcPf (£1) 62 (23/12). 8pcPf (£1) 68 (28/12). 7½pcLn 1981-86 £90¾ (28/12)

PROPERTY

FINANCIAL TRUSTS

INSURANCE

INVESTMENT TRUSTS

PLANTATIONS

RAILWAYS

SHIPPING

UTILITIES

WATERWORKS

MINES—MISCELLANEOUS

UNLISTED SECURITIES MARKET

Page (Michael) Partners (5p) 109 (28/12)
Pyslcom New (10p) 155 6 (28/12)
Prozimeter (5p) 32 New (5p) 31 2 3
Rivlin (I. D. S.) (5p) 58
Synterials New (10p) 93 4 7 8
Tav Homes New 93
Tech for Business (10p) 80
Television South 14.20pcLn 1986-88 £113½
Towngrade Securities (20p) 28 (28/12)
Tyne Tees Television Hldgs A (£1) 135
United Friendly Insurance B (10p) 257 (28/12)
V W Thermax 143 5 6 7‡ 7 ½‡ 8 ½‡ 9 50‡ 50
Wordplex Invests (Ir£0.20) 170‡ (28/12)

RULE 163 (4) (a)

Bargains marked in securities where principal market is outside the UK and Republic of Ireland. Quotation has not been granted in London and dealings are not recorded in the Official List

Acorn Secs 31⊕ (23/12)
Agnico-Eagle Mines 940
Amatil 219
American Home Prods £34⅝
American Standard £20⅞⊕
Ampol Expl 245 (23/12)
Ampol 111⊕
Apex Oil ($A0.25) 11
Ashton Mining 84
Asia Oil and Mins 4
Atlas Indus 52 (28/12)
Aust Guarantee Corp 179 (23/12)
Aust Motor Indus 67 (23/12)
Aust Paper Manufacturers 143
Avnet Inc £31¼ (23/12)

Basic Res Int (Bahamas) 85
Bass Strait Oil and Gas 9 (23/12)
Batu Kawan 151⊕ (23/12)
Beach Petroleum 17
Beatrice Foods £22⅛
Black Hill Mins 34⊕ 3 (28/12)
Boral Ord 210
BP Res Canada £10 (23/12)

Texas Oil and Gas £33⅜ (28/12)
Timor Oil 3

Umal Cons 208

Valiant Con 21½ (28/12)

Wal-Mart Stores £25½ (23/12)
Washington National Corp $24¼
Westfield Mins 108
Westinghouse Electric £37⅛
Wheelock Marden Int A 26
Windsor Res 19
World Intnl (Hldgs) 13¼ (28/12)

Zenith Radio Corp £24⊕ (23/12)
Zone Pet 123

RULE 163 (2)

Applications granted for specific bargains in securities not listed on any Stock Exchange

All England Lawn Tennis Gnd £500Db 1986 (86.2-80pd) £2,200 (23/12)
Amal Metal Corp £1 220. 30
Biotechnology Invs $US0.02 £11[15/16] 12 (28/12)
Brinz Invs £1 145 7 (28/12)
Burrough (James) 221 5 (23/12)
Canhon St Invs 200 3½ 4½ (28/12)
Channel Hotels and Props 10p 41 2
CIC Inv 1p ¾ 1 (28/12)
Dollar Land £1 68 9 (23/12)
Edenspring Invs 1p 7 ½ 8 (28/12)
Farmer Stedall (10p) 178 80 (28/12)
Gibbs (M.) 200 5 (28/12)
Greater Manchester Ind Radio 8 (10p) 113 4
Heavitree Brewery £1 £11.40 60 (23/12)
Heavitree Brewery A £1 £11.30 50 (23/12)
Impact 50¼ ½ (23/12)
LPA Inds (10) 106 7
Manchester and London Inv Tst (50p) 114 6
Mann and Overseas Inv Tst (10p) 15 (23/12)
Mid-Sussex Water 3.15pcPf (1958 or after) £22dc (28/12)
Oldham Ests (50p) 98 ½ (28/12)
Rangers FC £1 £16 (28/12)
Red Rose Radio A (n-v) (10p) 22
Southern Newspapers £1 150 1 (28/12)
Southern Newspapers New £1 147 52 (28/12)
Taddale Invs 10p 38½ 40 ½ (23/12)
Weetabix A (n-v) 91 2 (28/12)

RULE 163 (3)

Dealings for approved companies engaged solely in mineral exploration

Bryson Oil and Gas (20p) 185 9 90 2 3 5 8

(By permission of the Stock Exchange Council)

Insurances—continued

Offshore & Overseas—continued

Sterling class $10.5405 +0.0023 —
D-mark class DM51.2679 +0.0081 —
Dutch Gldr DF151.2969 +0.0068 —
Jap Yen cl Y5,173.3776 +0.9656 —
U.S. FIF $10.00 10.55 .... —
Norcap Fund Managers (Bermuda) Ltd
Bank of Bermuda Building, Bermuda. 809 29 5400
Amer Tst $9.53 9.94 .... —
Rothschild Asset Management (CI)
St Julian's Ct. St Peter Port, Guernsey. 0481 26741

Money Market Trust Funds

Money Market Bank Accounts

The Netherlands' biggest drinks group looks to a steady growth in profits, reports Walter Ellis

Heineken makes its mark as a universal brewer

THE DISCLOSURE that Heineken, the Dutch brewer, had last month paid out some Fl 35m ($11.4m) in ransom money to the kidnappers of its chairman, Mr Alfried Heineken, surprised mainly those who knew neither the company nor the affection in which Freddy Heineken is held.

His release by Dutch police last month after three weeks in captivity was greeted with genuine pleasure. It was not merely that much of the ransom was recovered, nor that, ultimately, the extortion had failed.

It was also the fact that a hardworking and popular chairman, who has done much to help transform his family business into one of the world's largest brewing concerns, had been returned, unharmed, to his family.

Mr Heineken, now aged 60, controls more than half of Heineken Holdings, which in turn owns more than 50 per cent of the Heineken business empire. Thus, his personal stake is worth an estimated Fl 600m, making his easily one of the richest men in Europe. He is a self-confessed bon viveur, a friend of the famous and a confidante of Queen Beatrix.

Board meetings, Mr Heineken one said, were a joy. "We laugh a lot and have a lot of fun."

But behind the ready smile (which after his recent ordeal took on a slightly saddened, lugubrious look), Mr Heineken is also by his own admission a workaholic and a prime ideas man. He has led the giant brewery through a period of almost unrivaled expansion, so that in 1983 it is the fourth largest drinks group in the world and possibly the most international. It employs 21,000 workers—more than 14,000 of them outside the Netherlands—and its products are almost universally available.

Freddy Heineken represents the third generation of his family to head the brewery. He joined the company in 1942, 78 years after its foundation by his grandfather, during the German occupation of the Netherlands.

Among his ideas were the return of the traditional green label for the company's bottles and cans. Recent international success by Grolsch, another Dutch brewer, is often attributed to its revival of an old and unusual style of bottle. "The stomach is very conservative," Mr Heineken once said.

He also led the hard-fought but unsuccessful campaign to take over Bols, the Dutch distiller, but comforted himself with the development of the company's own range of liquors acquired through the purchase of two smaller distilleries in 1971.

Today, Heineken has a market capitalisation of Fl 2.5bn. Sales in 1982 reached Fl 4.2bn, and over the first six months of this year there was a 38 per cent increase in earnings to Fl 88m. The management expects 1983 as a whole to be a good year for the company.

In September, Heineken announced that it had concluded a deal with Kirin of Tokyo, the third largest brewer in the world, for the production and marketing of its beer in Japan. The first of the new production should be ready in April next year. For many years, the Dutch beer—a Pilsner brew using a strain of yeast developed by the company last century—has been marketed in Japan by Kokubu, a large wholesaler and distributor. But demand has grown to such an extent that it was felt only domestic production could meet it.

It is the same in America, to which Heineken introduced its beer in 1933 immediately after the ending of prohibition. In the U.S., having a six-pack of Heineken in the fridge is a sign of good taste, bordering on the chic.

Murphy's brewery in Cork, in the Irish Republic, was the unlikely setting for one of Heineken's smaller business ventures in recent years. The maker of the famous stout was in difficulties, and it was even possible the brewery would close. Heineken stepped in with a cash offer, took over the plant and saved some 200 jobs. True, Murphy's was also brewing Heineken under licence for the Irish market, but it was a welcome intervention all the same, which ensured the survival of a product revered by generations of pint men.

More substantially, Heineken is now pushing through plans to set up a joint venture in France with Brasseries at Glacieres International (BGI) to manage both companies' French interests. Money is to be spent on modernising BGI's seven and Heineken's two breweries in France. The Dutch group now enjoys about 7 per cent of the French market and hopes to increase sales and efficiency by combining forces with BGI.

Other plans for growth abroad, including a possible deal in China, are under consideration. The company increasingly sees the world market as its natural home and has invested substantial funds this year and, indeed, throughout the last 10 years in Africa, Asia and Australasia. The rich American market continues to be served by imports (the "imported" label adds to a bottle's appeal), but in many countries brewing is done on the spot. Nigeria is a prime example. Nigerian Breweries, a subsidiary, has done exceptionally well.

At home, the size of the Netherlands is an obvious restriction, although sales remain good. Heineken Pils and its sister product, Amstel, are easily the top sellers in the Dutch market, holding off competition from the equally aggressive Grolsch and Oranjeboom brewers.

One irritation continues to be the unviolability of the West German market, which is governed by rules of purity whose only equivalent must be the exhaust emission laws in the U.S. Heineken reckons its products to be pure and healthy and, like other Dutch brewers, resents the implications that they are somehow not good enough for the German palate.

Financially, Heineken appears rock-solid at present. Net profit is expected to be above that for 1982, and the dividend prospect is also good. Analysts consider the company one of the most attractive in its sector in the world.

At home, some problems have arisen over increases in excise duty, but a forthcoming reduction in the level of corporation tax should help compensate for this. Abroad, the main problems are investment costs and often intense local competition. The experience is there, however and, like the beer itself, is being tapped every day of the year.

Bonn sets Veba share sale for mid-January

By James Buchan in Bonn

THE BONN Government yesterday disclosed how it will go about selling a large part of its stake in Veba, the country's largest industrial concern, which it hopes to net about DM 700m ($256m).

As part of Bonn's double strategy to reduce its own portfolio and encourage wider interest in the stock market, Veba workforce and lower-paid workers will be favoured in the treatment of applications by German banks. The sale period runs from January 16 to January 27.

The Government is selling shares with a nominal value of DM 232m, reducing its stake in the diversified energy concern from 43.75 per cent to 30 per cent, although Herr Hans Tietmeyer, state secretary at the Finance Ministry, made it clear that Bonn considered a holding of 25 per cent adequate for influence on national energy interests.

Dr Gerhard Stoltenberg, the Finance Minister, said yesterday that as part of a promise to reduce state ownership the Government would examine all its shareholdings. Companies in which the Government has a stake have combined annual sales of more than DM 100bn.

Veba shares look attractive, having paid double figure percentage dividends, with only one interruption, since the mid-1960s. However, the West German stock market is at a historical high.

● Dresdner Bank is extending its international business through the formation of Dresdner Bank (Schweiz) which has been set up in Zurich and which will have a branch in Geneva.

Japan oil tie-up studied

MITSUBISHI OIL of Japan, which is 50 per cent owned by Getty Oil of the U.S., yesterday indicated that Nippon Oil, Japan's biggest oil distributor, would be the likeliest choice for a business tie-up planned as part of a reorganisation of the ailing Japanese oil industry, Kyodo reports from Tokyo.

The two companies were starting a joint study on details of the projected tie-up, the company said. It is understood the arrangement would cover:

● Setting the same wholesale prices for oil products and the adjustment of sales areas to prevent excessive competition;
● The exchange of business information;
● Joint chartering of tankers to cut the transportation cost of crude imports;
● The exchange of oil products;
● The joint use of oil tanks.

The Ministry of International Trade and Industry (MITI) has called for such business tie-ups among oil refiners and distributors to strengthen their business foundation.

InterNorth quits shipping

BY WILLIAM HALL IN NEW YORK

INTERNORTH, the large U.S. energy and pipeline utility, is pulling out of the international shipping business and selling its two loss-making liquefied petroleum gas (LPG) carriers to Norway's Bergesen group.

InterNorth bought the two new 75,000 cu metre capacity carriers for around $50m apiece in the late 1970s as part of a diversification into the LPG transportation industry. However, a combination of overcapacity and depressed freight rates has meant that the two ships have lost money and often been idle.

InterNorth has not disclosed the price paid by Bergesen, which already has sizeable interests in LPG shipping.

InterNorth said the withdrawal from shipping would not affect its "growing international LPG and oil trading operations carried out through its Houston-based Northern Liquid Fuels International subsidiary."

French tobacco group in red

By Paul Betts in Paris

SEITA, the French state-controlled tobacco and cigarette company, yesterday reported a FFr 25m ($3m) loss for 1983 compared with earnings of FFr 45m last year.

The deficit is the result of a series of provisions, Seita said. It also said total tobacco sales had grown this year to FFr 28.5bn from FFr 25.7bn in 1982.

Thai Airways recovers

BY CHRIS SHERWELL, SOUTH-EAST ASIA CORRESPONDENT

THAI AIRWAYS, Thailand's national flag carrier, reports a record pre-tax profit of 647.7m baht ($28m) for the year ended September, almost 19 times higher than the previous year's earnings of 34.5m baht.

The figure, which gave Thai Airways its nineteenth year of profit in succession, beat the previous record of 519.9m baht achieved in 1979 and suggests that the airline has come through the intervening recession surprisingly well.

Airline officials said the improvement was the result of lower fuel prices, lower interest rates and the success of Thai's business-class service in attracting higher-yield passengers.

Revenues for the year climbed 8.2 per cent to 14.1bn baht. The total number of passengers increased by 5.6 per cent and traffic and capacity were each 6 per cent higher, giving a load factor of 62.5 per cent compared with 62.4 per cent last year.

AUTHORISED UNIT TRUSTS

FT UNIT TRUST INFORMATION SERVICE

[illegible]

FT-Actuaries All-share ends year at record high
30-share misses peak but closes 3.2 up at 775.7

Account Dealing Dates

Option First Declara- Dealings	tions	Last Dealings	Account Day
Dec 12	Dec 22	Dec 29	Jan 9
Dec 30	Jan 12	Jan 13	Jan 23
Jan 16	Jan 26	Jan 27	Feb 6

"New-time" dealings may take place from 9.30 am two business days earlier.

The last trading session of '83 in London stock markets saw leading equities end the year with a flourish, the FT Actuaries All-Share index closing at a record high and the 30-share making a fresh assault on its all-time peak, while the bid battle between Allianz and BATs for Eagle Star, which began in October, was finally resolved. Government Securities, however, were subdued by events across the Atlantic and traded quietly at, or near, their overnight levels for most of the day.

Momentum for the renewed attempt on record levels was provided by a leading broking house's optimistic forecast of continued economic recovery in the New Year and by a leading NatWest executive's prediction that interest rates should decline.

Talk of other favourable circulars helped to fuel optimism. Demand for the leaders was small and selective but sufficient to lift the 30-share index 0.2 above the previous week's closing peak of 776.2. Prices later boiled over, however, and the measure ended the first day of the new Account 3.2 up on the day and 179 points, or 30 per cent higher on the year at 775.7.

Early interest centred almost entirely on the Insurance pitches as **BATs** gained its victory in the bid battle for **Eagle Star** with an increased bid worth £969m, or £7 per share, being accepted by rival bidders Allianz, holders of a 30 per cent stake in ES.

The outcome disappointed some speculators who had recently acquired shares in the Insurance giant on the assumption that a U.S. "white knight" would appear, and subsequent selling left Eagle Star 20 down at 694p, after 692p. BATs, however, rose 12 to 180p. Elsewhere in Insurances, other Composites gave ground, still on the fear of substantial claims arising from the arctic weather conditions in the U.S. Merchant banks, meanwhile, were well supported on bid hopes. News of a bid approach prompted a jump in **Candecca** of 35 to 180p, after 195p, and produced good sympathetic gains in other selected oil prospecting issues.

Government securities showed little inclination to move either was as the market digested the new £600m of stock announced after-hours on Thursday. Buying interest was also stifled by the upward move overnight in the key short-term Federal Funds Rate to over 10 per cent, a couple of days after it had fallen below 9 per cent for the first time in several months. Buyers remained on the sidelines but prices *picked up a shade in the after*-hours' trade and scattered improvements of ⅛ were recorded i nthe longs, while shorter-maturities closed narrowly mixed. The FT Government securities index finished a fraction off at 83.12 which compares with the year's high of 83.70 attained on November 11.

Royal Borough of Kensington and Chelsea 11.15 per cent 2006 stock began life quietly and closed at £99¼ compared with the £100 issue price; 90 per cent of the £10m issue was placed prior to the official start of dealings.

Merchant Banks good

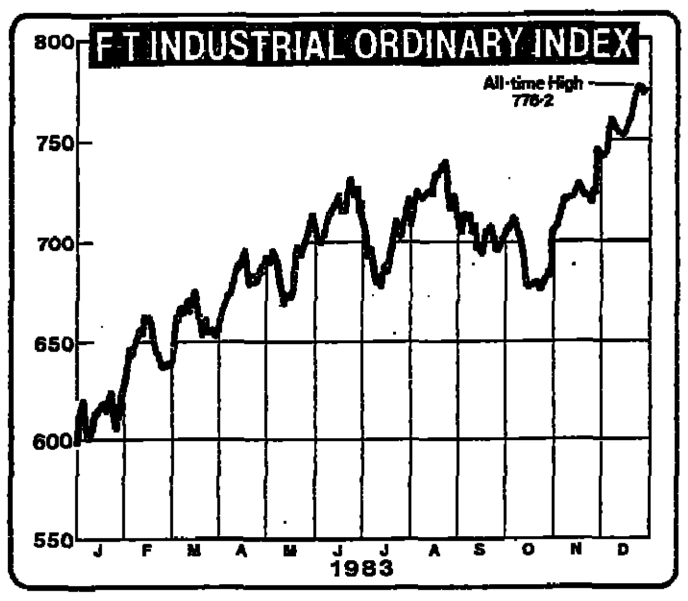
Composite Insurances viewed the outcome of the Eagle Star/BAT Industries / Allianz bid battle as something of a damp squib and most quotations tended to lose ground. **Commercial Union** eased 3 to 179p, while **General Accident**, 448p, and **Royals**, 485p, gave up 8 apiece.

Renewed excitement about the attempt on Wednesday by a Middle East consortium to acquire a 10 per cent stake in Kleinwort Benson breathed fresh life into Merchant Banks, with **Kleinwort** gaining 20 to 455p and **Mercury** rising 10 to 540p. **Hill Samuel** firmed 4 to 327p and **Hambros** the same amount to a high for the year of 164p. **Minster Assets** put on 5 to 110p and **Schroders** 10 to 820p. *Discount Houses also made a bright* showing, **Union** rising 12 to 695p and **Jessel Toynbee** 6 to 78p.

Persistent speculation that a mystery buyer is building a disclosable stake stimulated further support of **Distillers** which advanced 7½ and thereby regained the dividend deduction to close at 244p xd. **Irish Distillers** rose 5 to 155p xd. Elsewhere in the drinks sector, **Grand Metropolitan** regained a certain amount of composure and hardened a few pence to 330p, while **Bass** rose 3 to 308p and **Whitbread** 2 to 128p.

Noteworthy movements in Buildings were few, but **London Brick**, the subject of a cash offer of 120p per share from Hanson Trust, firmed 3 to a 1983 peak of 137p, while **Burnett and Hallamshire**, a depressed market of late, attracted revived demand on suggestions that the shares *might be included among New* Year recommendations and advanced 23 to 158p. **J. Jarvis** continued to command attention, and, in a thin market, gained 8 more to 238p, while **Marchwiel** firmed another 4 to 188p on investment buying. On the other hand, **Johnstone's Paints** again encountered sellers and shed 5 to a low for the year of 85p.

ICI continued to drift in the absence of fresh support and *shed 8 to 636p, but still recorded* a gain over the year of 282p. A squeeze on bear positions left **Laporte** 11 up at 355p, while demand in a market short of stock lifted **Rentokil** 7 to 128p.



Harris Queensway wanted

Leading Stores closed a shade firmer for choice. **Burton** stood out with a gain of 7 at 424p xd, while **Combined English**, still benefiting from the sale of the loss-making Harry Fenton menswear chain to Burton, firmed a *couple of pence further to 47p.* Discount retailers made progress under the lead of **Harris Queensway** which advanced 20 to 314p, although the rise was exacerbated by a squeeze on bear positions. **MFI** closed 7 dearer at 166p. Elsewhere, seasonal demand lifted **Ratners** 4 to 48p, and **Asprey** 25 to 750p. **A. Caird** closed 5 better at 52p following a newsletter recommendation.

Shoes closed firmer with **Strong and Fisher** again to the fore, rising 10 to 105p following an investment recommendation. **FII**, still buoyed by the profits potential of the Rhinotherm medical equipment subsidiary, closed 4 to the good at 206p.

Leading Electricals finished on a quietly firm note, gains of 4 being marked against **GEC**, 180p, and **Racal**, 210p. Demand ahead of the interim results due next week left **Electronic Rentals** 7 to the good at 57p, but **Electronic Machine**, down 9 more at 56p, continued to give ground on the company's statement that it knew of no reason for the recent sharp improvement in the share price. **Logica** came to the fore again, rising 8 to 293p on news of the deal with Tandem Computers. **International Signal** were noteworthy for a rise of 10 to 178p, while **Lec Refrigeration** *put on 8 to 290p in a limited* market. **Kode**, in contrast, came back 9 to 238p, after staging a good recovery earlier in the week.

Further persistent demand left **Belgrave (Blackheath)** 18 higher at 143p, after 146p: Gomba Holdings has a 28.66 per cent stake in the company. Elsewhere in the Engineering sector, smaller-priced issues were again well to the fore. **C. and W. Walker** put on 2½ to 15p and renewed support lifted **Aurora** 2 further to 15p. Gains of around 2 were also recorded in **Richardsons Westgarth**, 25p, **Midland Industries**, 22p, and **Bronx**, 15½p. Leading issues remained quite, but occasional support left **Vickers** 4 to the good at 137p.

Movements in Foods usually favoured holders. **Tate and Lyle** edged up a couple of pence to 380p and **Associated Dairies** hardened the same amount to 150p. **Kwik Save** were again in demand and firmed 6 more to 346p, while **Dee Corporation**, a strong market of late on Press comment, hardened 2 to a 1983 peak of 427p. **Tavener Rutledge**, dull on Thursday on end-Account *influences, picked up 4 to 48p,* while **Pyke Holdings** and **Albert Fisher** attracted fresh support and both gained 7 to 154p and 86p respectively.

Bellair spectacular

Bellair closed the year spec*tacularly at £10¾, up 2¾, for a* two-day rise of 3¾; late dealings yesterday became extremely sensitive with jobbers sharply widening their dealing spreads. Once again talk was rife of pending asset injections and other possibilities, but this has been the case since the shares moved away from the year's low of 17p. Investment demand encouraged by the group's outstanding medical health care division lifted **BOC International** 8 more to 296p, but profit-taking brought **BTR** back 6 to 424p. Other Miscellaneous Industrial leaders were little changed.

J. Billam, up 20 at 60p, attracted speculative interest which gave rise to takeover prospects following the death of the chairman, while **Highgate and Job** rose to 205p before ending a net 8 up at 198p; talk of a "*shell*" situation persisted. Renewed investment demand took **Wedgwood** 7½ higher to 128½p xd, **Manchester Ship Canal** gained another 10 to 157p and **LCP** improved 5 to 82p. Reflecting a newsheet recommendation, **Metal Sciences** went 5 dearer to 25p. Closer appraisal of the chairman's interim statement saw **London Private Health** pick up 2½ to 19½p.

Press comment in the Financial Times highlighting the increased demand for package holidays sparked revived interest in the sector. **Horizon** touched 169p before closing a net 5 up at 160p, while **Intasun** gained the same amount to 156p xd. **Leisure-time International**, a neglected market of late, firmed 2 to 47p, while **Fairline Boats** put on 4 to a 1983 peak of 41p. Casino concern **Aspinall Holdings**, a depressed market of late, found support and gained 13 to 138p.

Coachbuilder **Plaxtons** attracted support following an investment recommendation, regaining the dividend deduction and much more to close 13 up at 232p. **BL** also responded to favourable publicity, improving *3 to 64p, while Component pro*ducer **Lucas Industries** moved up a couple of pence to a high for the year of 176p. Garages and Distributors fluctuated narrowly in thin trading, with **British Car Auction** slightly harder at 120p ex the capitalisation issue.

Publishers again featured **Octopus** which continued to attract investment interest and advanced 30 more to a year's peak of 540p. Elsewhere, advertising counters were wanted with **KLP** 7 better at 145p, and **Wight Collins Rutherford Scott** 6 up at 290p xd.

The undertone in leading Properties remained firm, but gains in the leaders were restricted to a penny or so. **Stewart Nairn** put on a penny at 32p, ex the scrip issue, while **Estates and General Investments** hardened 2 to a high for the year of 87p.

Common Bros stood out among otherwise easier Shippings, rising 7 to 117p on revived speculative support.

Onshore Oil explorers came to life with a flourish following news of the bid approach for **Candecca**, which advanced to 195p before settling at 180p for a rise of 35 on the day. **Carless Capel** touched 207p before closing 13 up on balance at 83p, while **Marinex** also ended 13 higher at 83p. Irish issues took a distinct turn for the better after reacting quite sharply over the previous two trading days. **Atlantic Resources** picked up 25 to 665p and **Eglinton** advanced 45 to 335p, while **Aran** put on 4 to 74p and **Bula** 3 to 32p. Elsewhere, **Pict Petroleum** ended 5 cheaper at 145p, after 162p, following the drilling report on the North Sea well 15/21a-8. **IC Gas** *continued to attract buyers* and put on 6 more to 260p xd. Leading Oils maintained a firmer trend, underlying sentiment still being helped by the recent improvement in North Sea crude prices following the severe weather conditions in the U.S. **BP** *new closed 6 up at 178p;* the final call of 235p on the new shares is due on January 11.

India's decision to limit tea exports prompted fresh gains among selected Plantations. **Lawrie** rose 10 to a 1983 peak of 720p, while **Williamson** closed 6 better at 299p. **Brooke Bond**, additionally lifted by favourable comment, hardened a couple of pence at 79p.

Aussie oils upsurge

The Australian sector dominated activity in mining markets. A fresh upsurge to record levels by overnight Sydney and Melbourne markets and news of another oil discovery in the Queensland sector of the Cooper Basin boosted turnover in London. The leading diversified groups moved ahead and the oil exploration companies attracted *renewed buying.*

Confirmation of a 1,750 barrels a day *oil-flow* from the Tintaburra 1 wildcat well inspired fresh buying of the participants in the well. These included **Hartogen Energy**, which closed a further 3 up at 175p. **Home Energy**, 3½ firmer at 35p, and **Petro-Energy**, a penny higher at 21p.

Leading metal miners were highlighted by **CRA** which moved up 6 to 372p.

South African Golds were mixed in subdued trading. Bullion failed to give much of a lead to the sharemarket and held around $382 for much of the day. However, many issues were showing minor gains at the close although the Gold Mines index, which fell 5.2 to 575.7, was adversely affected by a number of constituents going ex the *December dividends. Financials* were little changed either way.

Interest in Traded Options continued to expand and 1,601 contracts were struck. The short week's daily average amounted to 1,141. **Commercial Union** and **Lasmo** recorded 247 and 192 calls respectively, while put business was dominated by **GKN** which attracted 201 trades with 200 transacted in the March 200's.

FINANCIAL TIMES STOCK INDICES

	Dec. 30	Dec. 29	Dec. 28	Dec. 23	Dec. 22	Dec. 21	year ago
Government Secs	83.12	83.16	83.37	83.16	83.14	82.93	81.18
Fixed Interest	86.41	86.28	86.35	86.35	86.23	86.06	81.93
Industrial Ord.	775.7	772.5	775.6	773.0	776.2	772.0	596.7
Gold Mines	575.7	580.9	584.0	582.4	579.3	580.1	586.5
Ord. Div. Yield	4.58	4.59	4.58	4.58	4.55	4.59	6.05
Earnings, Yld.% (full)	9.37	9.38	9.36	9.36	9.38	9.35	10.88
P/E Ratio (net) (*)	13.01	12.99	13.05	13.02	13.14	13.06	11.03
Total bargains	17,014	14,487	16,804	10,812	18,943	20,006	18,005
Equity turnover £m.	—	228.00	112.66	133.38	251.68	264.44	79.26
Equity bargains	—	18,541	10,605	10,140	17,545	16,886	11,442
Shares traded (ml)	—	110.1	80.7	83.6	160.5	165.7	69.1

10 am 773.8. 11 am 774.7. Noon 775.9. 1 pm 776.4. 2 pm 778.1. 3 pm 776.2.

Basis 100 Govt. Secs. 8/1/28. Fixed Int. 1928. Industrial 1/7/35. Gold Mines 12/1/58. SE Activity 1974.

Latest Index 01-246 8026.

* Nil=12.23.

HIGHS AND LOWS

	1983 High	1983 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	83.70 (11/11)	77.00 (24/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	86.41 (7/12)	[illegible]	[illegible]	[illegible]
Ind. Ord.	776.2 (22/12)	598.4 (11/1)	776.2 (22/12/83)	49.4 (26/6/40)
Gold Mines	734.7 (18/2)	444.6 (1/11)	734.7 (18/2/83)	43.5 (26/10/71)

S.E. ACTIVITY

	Dec. 29	Dec. 28
—Daily Gilt Edged Bargains	96.1	102.7
Equities Bargains	81.3	88.1
Value	460.8	327.7
5-day Avrge Gilt Edged Bargains	113.5	120.8
Equities Bargains	87.5	91.3
Value	400.2	393.6

NEW HIGHS AND LOWS FOR 1983

NEW HIGHS (123)

[illegible]

INSURANCE (2): Pearl, Stewart Wrightson. LEISURE (1): Fairline Boats. MOTORS (3): Lotus Car, Lucas Inds., Plaxton's (GB). NEWSPAPERS (4): Collins William, Octopus Publishing, Livpl. Daily Post, Utd. Newspapers. PAPERS (1): KLP. ... Tongkah Harbour.

NEW LOWS (8)

BANKS (1): Bk. Leumi le Israel. BUILDINGS (1): Johnstone's Paints. ELECTRICALS (2): Humberside Elect., Utd. Scientific. INDUSTRIALS (1): Stag Furniture. OILS (1): Lon. Am. Energy N/V. MINES (2): Meekatharra, Western Cont.

OPTIONS

First Dealings	Last Dealings	Last Declaration	For Settlement
Dec 19	Jan 6	Mar 22	April 2
Jan 9	Jan 20	April 2	April 16
Jan 23	Feb 3	April 26	May 8

For rate indications see end of Share Information Service.

Money was given for the call of Aran Energy, Atlantic Resources, Eglinton, Royal Bank of Scotland, Tricentrol, TR Energy, Transport Development, Davy Corporation, Camford Engineering, North Kalgurli, Jonas Woodhead, Premier Consolidated, Sterling Guarantee, British Petroleum, Comben and Phoenix Properties. No puts were reported but a double option was arranged in Evode.

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Fri Dec 30 1983 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Thur Dec 29 Index No.	Wed Dec 28 Index No.	Fri Dec 23 Index No.	Thurs Dec 22 Index No.	Year ago (approx.) Index No.	1983 High	1983 Low	Since Compilation High	Since Compilation Low
1 CAPITAL GOODS (203)	464.79	+0.5	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2 Building Materials (24)	447.25	+0.1	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3 Contracting, Construction (30)	681.01	+0.4	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4 Electricals (38)	1646.65	+1.4	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5 Engineering Contractors (10)	463.14	+0.3	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6 Mechanical Engineering (59)	212.79	+0.2	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8 Metals and Metal Forming (9)	178.04	+0.2	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
9 Motors (17)	123.86	+0.4	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
10 Other Industrial Materials (16)	604.08	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
21 CONSUMER GROUP (197)	462.00	+0.6	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
22 Brewers and Distillers (23)	439.89	+0.6	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
25 Food Manufacturing (22)	367.62	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
26 Food Retailing (13)	1073.72	+0.4	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
27 Health and Household Products (9)	711.67	+0.8	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
29 Leisure (25)	615.57	+0.8	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
32 Newspapers, Publishing (13)	1087.65	+0.5	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
33 Packaging and Paper (14)	219.34	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
34 Stores (47)	428.29	+0.3	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
35 Textiles (20)	249.17	+0.2	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
36 Tobaccos (3)	518.79	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
39 Other Consumer (8)	457.46	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
41 OTHER GROUPS (84)	422.48	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
42 Chemicals (16)	630.15	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
44 Office Equipment (6)	189.30	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
45 Shipping and Transport (14)	809.23	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
46 Miscellaneous (48)	535.42	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
49 INDUSTRIAL GROUP (484)	462.71	+0.5	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
51 Oils (16)	945.56	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
59 500 SHARE INDEX	505.10	+0.5	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
61 FINANCIAL GROUP (124)	369.40	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
62 Banks (6)	374.29	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
63 Discount Houses (8)	374.76	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
65 Insurance (Life) (9)	507.20	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
66 Insurance (Composite) (10)	248.45	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
67 Insurance Brokers (7)	645.65	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
68 Merchant Banks (12)	244.45	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
69 Property (54)	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
70 Other Financial (18)	260.32	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
71 Investment Trusts (107)	482.46	+0.3	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
81 Mining Finance (4)	280.17	+0.3	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
91 Overseas Traders (15)	500.83	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
99 ALL-SHARE INDEX (750)	470.50	+0.3	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST

PRICE INDICES	Fri Dec 30	Day's change %	Thur Dec 29	xd adj. today	xd adj. 1983 to date
British Government					
1 5 years	118.28	+0.09	118.17	—	11.39
2 5-15 years	132.28	+0.09	132.16	—	14.01
3 Over 15 years	141.82	+0.10	141.68	—	12.94
4 Irredeemables	151.16	+0.01	151.14	—	14.54
5 All stocks	130.65	+0.09	130.53	—	13.56
6 Debentures and Loans	107.92	+0.17	107.74	[illegible]	[illegible]
7 Preference	88.46	+0.14	[illegible]	[illegible]	6.72

AVERAGE GROSS REDEMPTION YIELDS	Fri Dec 30	Thur Dec 29	Year ago (approx.)	1983 Highs	1983 Lows
British Government					
1 Low 5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
2 Coupons 15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
3 25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4 Medium 5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
5 Coupons 15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
6 25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7 High 5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
8 Coupons 15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
9 25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
10 Irredeemables	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
11 Debs & Loans 5 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
12 15 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
13 25 years	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
14 Preference	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Equity section or group	Base date	Base value	Equity section or group	Base date	Base value
Other Industrial Materials	31/12/80	287.41	Other Financial	31/12/70	128.06
Other Consumer	30/12/77	238.14	Food Manufacturing	29/12/67	114.13
Health/Household Prods.	30/12/77	261.77	Food Retailing	29/12/67	114.13
Other Groups	31/12/74	63.75	Insurance Brokers	29/12/67	96.67
Overseas Traders	31/12/74	100.00	Mining Finance	29/12/67	100.00
Engineering Contractors	31/12/71	153.84	All Other	10/4/62	100.00
Mechanical Engineering	31/12/71	153.84	British Government	31/12/75	100.00
Office Equipment	16/1/70	162.74	Debs. & Loans	31/12/77	100.00
Industrial Group	31/12/70	128.20	Preference	31/12/77	76.72

† Flat yield. A list of the constituents is available from the Publishers, The Financial Times, Bracken House, Cannon Street, London, EC4, price 15p, by post 28p.

CONSTITUENT CHANGES: Charterhouse Group (68) and RIT & Northern (71) have been deleted and replaced by Charterhouse (J.) Rothschild (68) and London & Edinburgh Trust (69) respectively.

MONTHLY AVERAGES OF STOCK INDICES

—	Dec.	Nov.	Oct.	Sept.
Financial Times				
Government Securities	82.90	82.86	81.62	†81.02
Fixed Interest	86.13	85.65	84.69	83.28
Industrial Ordinary	759.5	724.8	693.5	704.5
Gold Mines	576.5	502.6	538.0	652.7
Total Bargains	19,443	19,832	19,519	19,905
F.T.— Actuaries				
Industrial Group	457.65	444.86	426.72	435.69
500 Share	496.70	487.12	472.32	485.49
Financial Group	367.51	346.37	320.19	329.91
All-Share (750)	464.97	451.84	435.02	448.56

	Dec. High	Dec. Low
Industrial Ordinary	776.2 (22nd)	741.1 (1st)
All-Share	470.50 (30th)	459.51 (5th)

LEADERS AND LAGGARDS

Percentage changes since December 31, 1982, based on Thursday, December 29, 1983.

Newspapers, Publishing	+72.75	Discount Houses	+25.26
Other Industrial Materials	+68.01	Food Retailing	+24.38
Chemicals	+62.67	All-Share Index	+22.68
Motors	+59.40	Metals and Metal Forming	+20.37
Merchant Banks	+58.59	500-Share Index	+18.69
Shipping and Transport	+55.63	Mining Finance	+18.02
Packaging and Paper	+54.18	Industrial Group	+16.07
Textiles	+45.09	Consumer Group	+14.22
Other Groups	+45.00	Food Manufacturing	+13.76
Insurance (Composite)	+44.03	Stores	+12.56
Insurance (Life)	+42.44	Tobaccos	+11.11
Financial Group	+38.12	Building Materials	+11.06
Banks	+34.87	Mechanical Engineering	+10.16
Office Equipment	+34.79	Health and H'sehold Products	+ 8.16
Other Consumer	+34.51	Capital Goods	+ 8.14
Oils	+34.37	Engineering Contractors	+ 7.04
Investment Trusts	+34.30	Gold Mines Index	+ 4.38
Leisure	+31.55	Brewers and Distillers	− 2.91
Insurance Brokers	+31.08	Electricals	− 4.38
Property	+30.19	Contracting, Construction	− 7.27
Overseas Traders	+28.71		

RISES AND FALLS

	Yesterday Rises	Yesterday Falls	Yesterday Same	On the week Rises	On the week Falls	On the week Same
British Funds	49	23	30	134	119	52
Corpns. Dom. and Foreign Bnds.	9	2	67	56	12	166
Industrials	293	155	953	738	633	2,832
Financial and Props.	132	70	318	320	203	1,037
Oils	52	16	50	120	60	174
Plantations	4	2	14	21	4	35
Mines	53	34	81	130	117	257
Others	39	62	83	127	175	246
Totals	631	364	1,596	1,648	1,323	4,798

ACTIVE STOCKS

Above average activity was noted in the following stocks yesterday.

Stock	Closing price	Day's change	Stock	Closing price	Day's change
Atlantic Resources	665	+25	Candecca Resources	180	+35
BAT Inds	180	+12	Carless Capel	201	+13
BOC	296	+ 8	Eglinton Oil & Gas	335	+45
Belgrave (B'hth)	143	+20	Marinex Pet	83	+13
Bellair Cosmetics	£10¾	+ 2¾	Plaxton's (GB)	232xd	+13
Billam (J.)	60	+20	Strong & Fisher	105	+10

THURSDAY'S ACTIVE STOCKS

Based on bargains recorded in SE Official List

Stock	No. of changes	Thurs. close	Day's change	Stock	No. of changes	Thurs. close	Day's change
Bellair Csmtics	25	840	+125	Carpets Int.	16	64	+ 6
Eagle Star	23	714	+ 6	Glaxo	14	715	− 3
GEC	19	176	+ 1	Pict Pet	14	150	− 3
Bula Res	17	29	− 2	Arlen Elect.	13	165	−12
Saxon Oil	17	242	−11	BOC	13	288	+ 6
Strong & Fisher	17	95	+ 8	Tricentrol	13	178	—
Belgrave (B'th)	16	123	+ 3	Bowater	12	263	—

3-DAY ACTIVE STOCKS

Based on bargains over the five-day period ended Thursday

Stock	No. of changes	Last Thurs. close	Change on week	Stock	No. of changes	Last Thurs. close	Change on week
Eagle Star	59	714	− 1	Highgate, Job	36	190	+40
Pict Pet	58	150	+22	Royal Bk Scot	35	222	− 2
GEC	42	176	—	Bula Res	33	29	− 6
Glaxo	42	715	−15	Trident TV A	33	120	+ 6
Belgrave (B'th)	39	123	+12	Bowater	32	263	− 1
Bellair Csmtics	39	840	+120	Grand Met	32	327	−11
Saxon Oil	37	242	+ 5	BTR	30	430	+10

RECENT ISSUES

EQUITIES

Issue price p	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price p	+ or −	Net Div.	Times covered	Gross Yield	P/E Ratio
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

FIXED INTEREST STOCKS

Issue price £	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price £	+ or −
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

"RIGHTS" OFFERS

Issue price p	Amount paid up	Latest Renunc. date	1983 High	1983 Low	Stock	Closing price p	+ or −
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Renunciation date usually last day for dealing free of stamp duty. [illegible] based on prospectus estimate. [illegible] ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. p Pence unless otherwise indicated. [illegible] of ordinary shares as a "rights." ** Introduced. [illegible] (or fully-paid). [illegible] ‡ Effective [illegible] * Unlisted Securities Market. [illegible]

INSURANCE & OVERSEAS MANAGED FUNDS

(Accum Units)	155.5	163.7	.....	—
North American	153.9	162.0	.....	—
(Accum Units)	162.0	170.6	.....	—
Far Eastern Equity	190.9	201.0	.....	—
(Accum Units)	200.9	211.5	.....	—
Fixed Interest	132.9	139.9	.....	—
(Accum Units)	139.9	147.3	.....	—
Cash Deposit	103.6	109.1	.....	—
(Accum Units)	109.0	114.8	.....	—
Property	98.3	103.5	.....	—
(Accum Units)	103.5	109.0	.....	—
Index-Linked	101.5	106.9	.....	—
(Accum Units)	106.8	112.5	.....	—
Managed	154.0	162.2	.....	—
(Accum Units)	162.1	170.7	.....	—

Vanbrugh Life Assurance
41-43 Maddox St., Ldn W1R 9LA 01-499 4923

Managed Fd.	290.8	306.2	+0.2	—
Equity Fd.	514.3	541.4	+1.7	—
Intnl. Fd.	221.7	233.4	−1.0	—
Fixed Int. Fd.	266.1	280.2	+0.1	—
Prop. Fd.	213.4	224.7	−0.5	—
Cash Fd.	178.7	188.2	.....	—

Vanbrugh Pension Limited
41-43, Maddox St., Ldn., W1R 9LA 01-499 4923

Managed	246.1	259.1	+1.0	—
Equity	307.5	323.7	+1.2	—
Global Equity	101.8	107.2	.....	—
Fixed Interest	222.4	234.2	−0.3	—
Property	191.2	201.3	+5.6	—
Index Linked Gilt	105.5	111.1	−0.3	—
Guaranteed	9.13	—	.....	—
International Money	118.2	124.5	−0.3	—

Windsor Life Assur. Co. Ltd.
Royal Albert Hse., Sheet St., Windsor 68144

Investor Units	158.8	167.2	+0.7	—
Accum. Pen. Units	276.5	291.0	+1.4	—
Flex. Inv. Growth	159.6	168.0	...	—

Continued on adjacent Page Mon-Fri and Stock Exchange dealings Page Sat.

OFFSHORE AND OVERSEAS

Adig Investment
Postfach 708, 8000 Munich 1, Telex 524269

Adirenta	DM21.90	22.56	...	—
Adiverba	DM76.57	80.40	...	—
Fondak	DM38.09	39.99	...	—
Fondis	DM34.01	35.71	...	—

Albany Fund Management Limited
P.O. Box 73, St. Helier, Jersey. 0534 73933

Albany $ Fd. (CI)	$247.91	252.02xd	...	1.55

Next dealing December 23.

For Allen Harvey & Ross see Cater Allen

Alliance International Dollar Reserves now Alliance Capital Management International

See adjacent Page Mon-Fri and Stock Exchange dealings Page Sat.

Andover Futures Ltd. (Adv: Thornte)
c/o MIL: Bank of Bermuda 809-295 4000

NAV Sept 30		$71.25	...	—

Arbuthnot Securities (C.I.) Ltd. (a)(c)(h)
P O Box 428, St. Helier, Jersey. 0534 76077

Dollar Income Tst (z)	$1.018	1.066	...	11.26
Govt Secs. Tst	80.6	84.9	+0.1	11.85
Yen Bond*	199.0	206.0	.....	5.83
Sterling Fd †	162.5	160.6	...	0.31
East Intl & Engy*	189.6	204.1	..	0.61

Next dealing *Jan 5. †Jan 4.

B.I.A. Bond Investments AG
10, Baarerstrasse CH6301, Zug Switzerland

Barep Std Nov 19	SF10.735	11.300	...	—

Baerbank (Overseas) Ltd.
Butterfield House, Grand Cayman

LiquiBaer J. Baer $Fd.	1,135	1,136	...	—

Bank of America International S.A.
35 Boulevard Royal, Luxembourg G D.

Wordinvest Inc$	$120.56	121.18	...	7.57

Valued weekly on Wednesdays.

BRITISH FUNDS

"Shorts" (Lives up to Five Years)

Five to Fifteen Years

Over Fifteen Years

Undated

Index-Linked

INT. BANK AND O'SEAS GOVT. STERLING ISSUES

CORPORATION LOANS

COMMONWEALTH AND AFRICAN LOANS

LOANS

Building Societies

Public Board and Ind.

Financial

FOREIGN BONDS & RAILS

AMERICANS

CANADIANS

BANKS, H.P. & LEASING

BANKS—Continued

Hire Purchase, Leasing, etc.

BEERS, WINES & SPIRITS

BUILDING INDUSTRY, TIMBER AND ROADS

CHEMICALS, PLASTICS

DRAPERY AND STORES

ELECTRICALS

ENGINEERING

FOOD, GROCERIES, ETC.

HOTELS AND CATERERS

INDUSTRIALS (Miscel.)

مطابقة للأصل

INSURANCE & OVERSEAS MANAGED FUNDS

Lloyds Life Assurance—cont.
Gartmore Funds—Series A

American Dec 27	172.1	181.2	.....	—
British Dec 27	131.1	138.0	.....	—
Commodity Dec 27	127.3	134.0	.....	—
Extra Inc Dec 27	118.5	124.8	.....	—
Far Eastern Dec 27	115.8	121.9	.....	—
High Inc Dec 27	125.2	131.8	.....	—
Income Dec 27	151.9	159.9	.....	—
Global Strat Dec 27	183.8	193.5	.....	—
Special Sits Dec 27	141.4	148.9	.....	—
Gilt Dec 27	105.2	110.8	.....	—
Japan Dec 27	175.8	185.1	.....	—
U. Small Co's Dec 27	131.1	138.0	.....	—
Man Gwt Dec 27	155.1	163.3	.....	—
Austrln Dec 27	115.0	121.1	.....	—
Oil and Energy Dec 27	114.6	120.7	.....	—
Gold Share Dec 27	80.4	84.7	.....	—

London A'deen & Nthm. Mtl. Assur. Ltd.
129 Kingsway, London, WC2B 6NF. 01-404 0393

Asset Builder	66.3	70.3	.....	—

London Indemnity & Gnl. Ins. Co. Ltd
18-20, The Forbury, Reading 583511.

Money Mngr Dec 15	62.3	67.3	-0.4	—
MM Flexible Dec 6	53.6	56.5	-0.1	—
Fixed Interest Dec 1	56.5	59.6	+0.2	—

London Life Linked Assur. Ltd.
100, Temple St., Bristol, BS1 6EA. 0272-279179
See adjacent page Mon-Fri and Stock Exchange Dealings page Sat.

London & Manchester Gp.
Winslade Park, Exeter EX5 1DS. 0392 52155

Invest. Tst. Fd. Cap.	313.1	—	+0.1	—
Invest. Tst. Fd. Acc.	334.2	—	+0.2	*14.6
Property Fund Cap.	117.3	—	.....	—
Property Fund Acc.	124.7	—	.....	*4.8
Flexible Fund Cap.	185.5	—	-0.4	—
Flexible Fund Acc.	197.2	—	-0.4	*5.2
Fixed Int. Fd. Cap.	142.1	—	-0.2	—
Fixed Int. Fd. Acc.	151.3	—	-0.2	—
Gtd. Deposit Fd. Cap.	139.5	—	.....	—
Gtd. Deposit Fd. Acc.	147.2	—	+0.1	—
Equity Fund Cap.	131.6	—	-0.6	—
Equity Fund Acc.	139.5	—	-0.7	—
International Fd. Cap.	138.2	—	-0.3	—
International Fd. Acc.	146.5	—	-0.4	—
Capital Gwth. Fd.	425.4	—	-1.3	—
Moneymaker Fund	173.2	—	-0.2	—
Exempt Inv Tst Cap	438.7	—	+0.2	—
Exempt Inv Tst Acc	461.3	—	+0.4	—
Exempt Inv Tst NS	457.8	—	+0.3	*10.7

Property Growth Assur. Co. Ltd.
Leon House, Croydon CR9 1LU. 01-680 0606

Property Fund		289.6	.....	—
Property Fund (A)		281.5	.....	—
Agricultural Fund		1,122.5	.....	—
Agric. Fund (A)		1,092.5	.....	—
Abbey Nat. Fund		230.5	.....	—
Abbey Nat. Fd. (A)		229.5	.....	—
Investment Fund		140.4	.....	—
Investment Fund (A)		138.4	.....	—
Equity Fund		428.9	+1.3	—
Equity Fund (A)		420.9	+1.3	—
Money Fund		219.0	+0.3	—
Money Fund (A)		215.0	+0.3	—
Actuarial Fund		218.8	.....	—
Gilt-edged Fund		195.6	+0.3	—
Gilt-Edged Fd. (A)		195.6	+0.3	—
Retire Annuity		357.4	.....	—
Immed. Ann'ty		191.5	.....	—
International Fd.		271.2	.....	—
Bldg. Soc. Life Fd.		105.9	.....	—

Property Growth Pensions & Annuities Ltd.

All Weather Ac. Uts.	252.2	265.5	.....	—
Inv. Fd. Uts.		278.4	.....	—
Pension Fd. Uts.		254.3	.....	—
Conv. Pens. Fd.		297.6	.....	—
Cnv. Pns. Cap. Ut.		221.6	.....	—
Man. Pens. Fd.		342.6	.....	—
Man. Pens. Cap. Ut.		265.1	.....	—
Prop. Pens. Fd.		284.4	.....	—
Prop. Pens. Cap. Uts.		214.5	.....	—
Bldg. Soc. Pen. Ut.		258.5	.....	—
Bldg. Soc. Cap. Ut.		197.7	.....	—
Gilts Pens. Fd.		175.2	+0.2	—
Gilts Pens. Fd. Cap.		152.2	+0.2	—
Equity Pens. Fd.		261.2	.....	—
Equity Pens. Fd. Cap.		227.4	.....	—

Providence Capitol Life Assc. Co. Ltd.
30 Uxbridge Road, W12 8PG. 01-749 9111

Equity Acc.	106.9	112.8	.....	—
Fixed Interest Acc.	93.9	99.1	.....	—
Intnl. Acc.	82.9	87.5	.....	—
Managed Acc.	92.4	97.4	.....	—
Property Acc.	114.1	120.4	.....	—
Money Acc.	75.0	79.2	.....	—
Special Market Acc.	72.4	76.4	.....	—
Japan Acc.	68.4	72.2	.....	—
North America Acc.	73.3	77.4	.....	—
Pacific Acc.	52.8	55.8	.....	—
Technology Acc.	74.3	78.4	.....	—
Nat. Resources Acc.	52.8	55.8	.....	—
Japan Growth Acc.	94.9	100.2	.....	—

Standard Life Assurance Company
3 George St., Edinburgh EH2 2XZ. 031-225 2552.

Managed	207.9	218.9	-0.6	—
Property	153.6	161.7	+0.1	—
Equity	243.2	256.0	-0.8	—
International	212.7	223.9	-1.2	—
Fixed Interest	172.0	181.1	-0.3	—
Index Linked	98.2	103.4	-0.8	—
Cash	132.2	139.2	+0.1	—
Pension Managed	245.9	258.9	-0.7	—
Pension Property	156.6	164.9	.....	—
Pension Equity	292.2	307.6	-0.8	—
Pension Intl.	256.1	269.6	-1.3	—
Pension Fxd. Int.	182.7	192.4	-0.3	—
Pension Index Linked	99.1	104.4	-0.8	—
Pension Cash	149.8	157.7	+0.1	—

Sun Alliance Insurance Group
Sun Alliance House, Horsham. 0403 64141

	Series (2)			(1) Bid
Index Linked Fund	110.7	116.6	-0.3	113.3
Equity Fund	298.0	313.7	-0.6	298.5
Fixed Interest Fund	204.3	215.1	-0.5	204.6
Property Fund	214.5	225.6	-0.7	214.7
International Fd.	193.1	203.3	+0.5	193.4
Deposit Fund	145.5	153.2	.....	145.7
Managed Fund	246.5	259.5	+0.5	246.9
Int Bond Dec 28	—	—	—	423.10

Series (2) Prices are for policies issued after 11/7/1982.
Series (1) These are bid prices for earlier policies.

Individual Pension Funds

Index Linked	128.5	135.3	-0.5	—
Equity	151.1	159.1	+0.9	—
Fixed Int.	168.7	177.6	+0.1	—
Property	113.5	119.5	.....	—
International	163.4	172.0	+0.4	—
Deposit	114.8	120.9	.....	—
Managed	155.4	163.6	-0.5	—

*Group Pension funds—Prices available on request.

Sun Life of Canada (UK) Ltd.
2, 3, 4, Cockspur St., SW1Y 5BH 01-930 5400
Maple Leaf Plans

Growth Account	456.9	—	+3.2	—
Managed Account	276.2	—	+2.5	—
Equity Account	306.1	—	+2.8	—
Managed Fd. Accum.	132.4	139.3	+0.7	—
Equity Fd. Accum.	139.8	147.1	-1.3	—
Property Fd. Accum.	107.8	113.5	.....	—
Fixed Int. Fd. Accum.	127.4	134.1	+0.6	—
Intnl. Fd. Accum.	169.1	178.0	-0.3	—
Money Fd. Accum.	106.6	112.2	+0.1	—
Index-Ld. Secs. Fd. Accm.	104.9	110.4	+0.3	—

Pension Plans
Pers. Pens. Account 481.9 — +4.2 —

Barclays Unicorn International
1, Charing Cross, St. Helier, Jersey. 0534 73741

Unidollar Trust	47.0	48.5	+0.1	10.70
Unidollar Trust	16.53	17.48	.....	1.30
Unibond Trust	91.27	91.97	.....	10.40

1, Thomas St. Douglas, Isle of Man 0624 23252

Uni-Australian Tst.	85.1	91.6	.....	1.30
Uni-Aust. Mineral Tst.	71.3	76.7	.....	1.4
Uni-Pacific Trust	282.6	296.4	.....	—
Uni-International Tst.	74.6	80.3	.....	1.4

Bishopsgate Commodity Ser. Ltd.
P O Box 42, Douglas, I.o.M. 0624-23911

ARMAC** Dec 5	587.42	61.05	.....	—
COUNT** Dec 5	3.798	4.028	.....	1.383
CANRHO** Dec 5	2.481	2.631	.....	—

Original issue *$10 and **£1. Next sub. January 3.

Bridge Management Ltd.
GPO Box 590, Hong Kong

N'bashi Nov 30	Y43.300	44.500	.....	43.331
Nippon Fd Dec 28	$31.05	32.42	.....	0.83

Britannia Intl. Investment Mngmt. Ltd.
Box 271, Queensway House, Queen Street, St. Helier, Jersey, C.I. 0534-73114

U.S. Dollar Denominated Funds

AmSmallerCos. Fd.	2.190	2.359	+0.019	—
Dollar Inc Fd.	0.798	0.854	+0.026	11.80
$ Mngd Curr'cy Fd.	9.32	9.82	+0.05	3.60
First Intnl.	20.40	21.63	.....	—
Gold Fund	1.010	1.100	+0.007	4.79
Normandie In $Fd	11.27	12.12	.....	—
Universal Growth Fd.	0.917	0.986	+0.016	—
World of Tech	0.869	0.934	+0.005	—

*New dealings Dec. 19.

Sterling Denominated Funds

American Invests.	96.3	103.5	-0.3	—
Australian Perf Fd.	84.9	91.3	+0.8	—
Far East Fund	109.8	118.1	+0.4	1.00
Jersey Energy Tst.	16.2	17.4	-0.1	1.50
Jersey Gilt	22.6	23.8	.....	11.55
UK Growth Fund	56.0	60.2	+2.4	2.99
USM Fund	140.6	151.2	.....	—

Sterling Deposit Funds

Mngd Currency (Inc)	£13.28	13.98	-0.05	5.00
Do. (Accum)	£13.28	13.98	-0.05	—
Cap Dep Tst.	£16.23	16.24	+0.01	0.25

Britannia Fund Managers I.o.M.
1, Thomas St. Douglas, IoM. 0624 4856

Gilt Trust (I.O.M.)	98.0	101.2	.....	11.4

All Jersey Fund's Deal Daily Except **Tuesday Weekly-Capital Return 8.00%.

Brown Shipley Tst. Co. (Jersey) Ltd.

OFFSHORE AND OVERSEAS

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FINANCIAL TIMES
Saturday December 31 1983

Markets close on a high note

BY TERRY POVEY

WORLD STOCK markets closed the year on a high note with almost all the major foreign markets ending trading yesterday at or around record levels.

The main factors influencing this trend through 1983 have been an emerging economic recovery around the world, rising corporate profits and falling inflation rates.

The world stock market index produced by Capital International of Switzerland has risen by 19.1 per cent over the year. In London, New York, Sydney, Singapore and Tokyo, Scandinavia and throughout much of Europe, brokers are looking for further progress in 1984.

Wall Street finished quietly but the Dow Jones Industrial Average is still up by 22.7 per cent on the year.

The lack of direction from Wall Street has not held back the rest of the world, however.

In London, the stock market closed in high spirits. Share prices were pushing forward and the FT Industrial Ordinary Share Index closed 3.2 points up at 775.7, within a hair's breadth of the record. It was an appropriate flourish with which to end a year which has seen share prices breaking records with the index surging ahead by 30 per cent. The broader-based FT Actuaries All Share Index is up by 23.1 per cent on the year to a record 470.5.

Dealers in UK Government securities have been in a more sober mood. The prices of gilt-edged stocks are reflecting the caution which was evident throughout the year with investors trying to keep one eye on events in the U.S. and the other on the Government's hefty borrowing requirement.

In the rest of Europe the pattern has been more mixed. West Germany, Belgium and Switzerland have all turned in rises over the year in the range of 20 to 35 per cent. The Netherlands and France have been stronger, with gains of 54 per cent and 63 per cent respectively.

Among the star performers worldwide for 1983 have been the Scandinavian bourses. Share prices in Denmark were up by 62 per cent, in Norway by 142.2 per cent and in Sweden by 61.3 per cent.

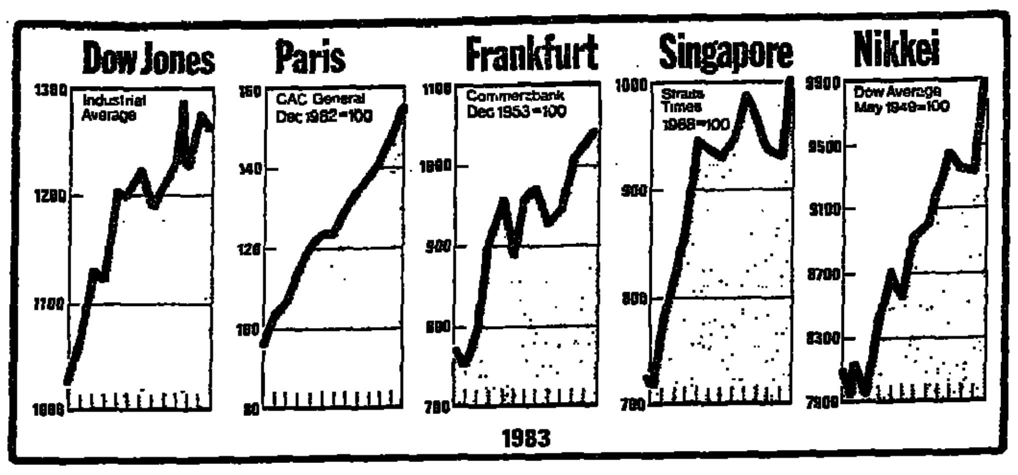
There have also been some impressive results in the Far East. In Tokyo the traditional pre-New Year buying spree pushed the Nikkei-Dow Index up by 2.2 per cent in less than a week and took it to within one percentage point of the previously unsurpassed 10,000 mark. The market's concern over the stability of the Nakasone government was short-lived.

In Hong Kong investors have had a more turbulent time. The Hang Seng Index has gained a little more than 14 per cent on the year but has jumped by 27 per cent since its low point in October.

Singapore, reputedly benefiting from a move of capital out of Hong Kong, was another success. The Straits Times Index has ended 1983 up by 38.1 per cent and over the 1,000 level for the first time. The market's rise has taken its size measured in capitalisation terms up to the level of the Paris bourse.

In Australia, the All-Ordinaries Index has gained 59 per cent on the year and the boom in equities has provided a climate for some rough-and-tumble takeover struggles.

Onlooker, Page 5



Statoil to offer cut as BNOC holds prices

BY IAN HARGREAVES

STATOIL of Norway is expected to announce next week a price cut of 20 cents a barrel for its key Statfjord crude but will leave other prices unchanged.

British National Oil Corporation, which sets North Sea contract prices for the UK sector, last night was well on the way to securing the industry's acceptance of its proposed unchanged price structure for the first quarter.

Texaco, the largest U.S. buyer of BNOC crude, is understood to be the latest company to have fallen into line with the BNOC price formula.

Texaco until recently had argued for a price cut. Chevron, another company holding out for lower prices, was involved in direct talks with BNOC yesterday.

The Statoil price proposal, notified to customers late yesterday but not confirmed last night, is to keep the price of Brent crude at $30 a barrel, in line with BNOC, but will cut the price of Statfjord oil from $29.80 to $29.60 a barrel on an f.o.b. basis.

Traders said the decision on Statfjord would press BNOC to adjust differentials on some of its crude prices but was unlikely to disturb progress towards agreement on the $30 price for the Brent marker crude.

A cut in Statfjord prices was surprising in its timing but logical, they said. Compared with the price of BNOC's oil from the Statfjord field, which is listed at $30 c.i.f. (or delivered), the Norwegian crude has not been competitive in a weak market.

One analyst suggested that Statoil would have been unlikely to cut the price of Statfjord without first telling BNOC.

Statfjord accounts for about half of oil production from the Norwegian sector of the North Sea

BNOC is thought to have received formal acceptance of its price proposals from about a dozen of its 35 customers. Only one, Esso, has announced its position officially but others shoud make announcements next week.

Spot oil prices drifted slightly lower yesterday in thin trading. Brent blend was traded in the $29.10 to $29.50 range, compared with $28.80 before Christmas. The spell of cold weather in the U.S. has pushed oil prices higher.

THE LEX COLUMN

Allianz cashes in its policy

By kissing and making up under Bavarian mistletoe, BAT and Allianz have spared the City what threatened to be a most unsatisfactory resolution of Eagle Star's future. In retrospect, the decision of the full Take-over Panel not to extend the customary timetable looks fully vindicated, while all parties to the affair retire with either their honour or their coffers intact.

Eagle Star has secured the parent it was hoping for, BAT has succeeded with its diversification plans at the first attempt and Allianz is going home with a profit of £165m—presumably free of capital gains tax—to soften any regret at missing its target.

Despite the continuing interest of punters across the Atlantic in Eagle Star equity, the odds must be against a fresh bidder turning up at this stage. Certainly the stock market, which dropped the shares 20p to 694p yesterday, appears to view yesterday's statement as the final chapter.

Yet, if the story has almost a fairy-tale ending, there are plenty of earlier passages which call for careful scrutiny. In particular, the Panel should question the desirability of vague coat-trailing announcements from a bidder determined to keep the share price of the target company out of the reach of a rival.

It looks more than a little odd, for example, that Allianz's financial advisers were exhorting shareholders not to sell when the price stood at 712p and then saw fit to settle themselves at 700p.

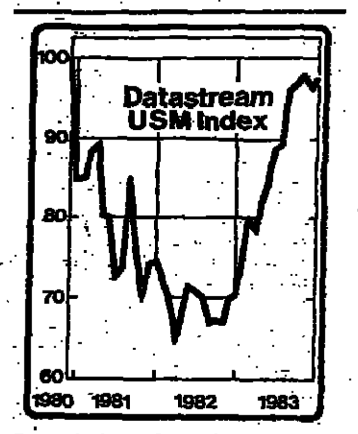
BAT has undoubtedly ended up paying more than it planned, but presumably decided that it was better to soldier on than to launch itself on to a forewarned market next time. In balance sheet terms, the cost is not crippling—judicious asset revaluations should keep net debt to not much above 60 per cent of shareholders' funds—and earnings dilution next year should be minimal despite what looks a high exit p/e.

After years of grumbling about its rating, BAT must have been cheered to see its share price rising 12p to 180p yesterday. The market's response to this diversification has been surprisingly generous and the company will now have its work cut out consolidating the goodwill.

USM

The Unlisted Securities Market can fairly claim at the end of 1983 to have plugged the gap bemoaned by the Wilson Committee when it criticised the City for its signal failure to enocourage new companies. Just short of 200 stocks are now traded on the USM and a busy calendar of new issues can be expected in the coming months, despite a sprinkling of unsuccessful flotations in the latest quarter.

Index rose 3.2 to 775.7



This year's crop of bean-stalks in the USM has wilted a little since the autumn, leaving the Datastream index still to recover the last bit of the ground it lost in those early months of 1981 when the market was ill-served by its concentration on the oil sector. But neither this nor the recent new issue set-backs need be seen as evidence of any creeping blight in the garden. They only underline the fact that the USM is not the path to certain riches which it once appeared.

In these more mature conditions, sponsoring brokers will have to price new issues with rather more care for the after-market than some have shown recently. Excessively ambitious flotation prices have been one of the major causes of the USM's fourth quarter weakness. The other has been its propensity to magnify trends in the main market: still weighted heavily towards oils, and now electricals as well, the USM's fortunes largely rest with companies at the sensitive end of two volatile sectors.

It is not just the success of new issue activity which will depend in 1984 on the attitude of the leading stockbrokers. Hopelessly inadequate research coverage of the existing stocks is still the USM's chief bogey and the New Year could offer nothing more reassuring than another steady 12 months for the City to build up this plank in its defences against the next bear market

The cost of this research to the brokers will no doubt have to be justified as a sprat to catch a mackerel for some time yet, with assistance in the USM offered as bait to young companies which promise a lucrative relationship in the longer term. But institutional investors have certainly been turning to the market in 1983, offering more scope for commission earnings: Britannia, for example, seems to be toying with the idea of a UK authorised unit trust.

Several tomes on the USM itself have appeared in recent months from the major accountancy firms. For research on the companies involved, however, Hoare Govett has made a more significant contribution with a weekly data service which it launched last month and others will need to follow in its wake.

A more even spread among sectoral weightings will be another accomplishment expected of 1984. It would also be satisfying to see a growing number of USM companies effect the transition to the main market which has always been proclaimed as the USM's ultimate raison d'etre.

Candecca

The emergence yesterday of a mystery bidder for Candecca Resources fits in neatly with last month's auction by BP of 39 units in the Forties oil field. A number of companies left the Forties feast stuffed with highly taxed production acreage, but short of exploration opportunities with which to offset their PRT liabilities.

So Candecca's onshore exploration interests on the south coast and in the East Midlands could make it an attractive route to tax efficiency for a producer. It would be surprising, for example, if it had not been looked over by RTZ, which has four units in Forties and only recently failed to pick up a stake in the offshore Maureen Developments.

Yet the tax fit may not be as snug as it looks for any oil producing bidder. For Candecca's own two stakes in the Forties field mean around £7m would have to be spent on exploration to shelter tax attributable to these stakes alone.

Further more, the group will not come cheap. At yesterday's level of 180p, up 35p, a price tag of more than £70m looks likely. That represents a much higher premium to estimated net assets than Charterhouse paid for Fluor's UK, Dutch and Irish interests three weeks ago.

Fleet St faces legal action on pact

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

FLEET STREET newspapers are being threatened with legal action by the Office of Fair Trading over a secret agreement to reduce financial losses during a national rail strike.

The OFT has written to 10 newspapers or groups warning them that it plans to seek a ruling from the Restrictive Trade Practices Court condemning their agreement and outlawing any further pact. Four of the Press groups could also face proceedings for contempt for allegedly breaking a previous court ruling on a similar matter.

The 10 newspapers or groups which face the OFT action are Associated Newspapers; Daily Telegraph; Sunday Telegraph; Express Newspapers; Financial Times; Guardian, Mirror Group; News Group; Observer and Times Newspapers.

The OFT's concern relates to an agreement made between the 10 in July last year during industrial action by railway unions.

To stem mounting costs from distributing newspapers by road and air, the publishers decided to reduce the commission paid to wholesalers on each copy sold. The wholesalers were notified but the proposal was never implemented as the rail strike subsequently was called off.

Under the Restrictive Trade Practices Act, 1976, all agreements between two or more parties have to be registered with the OFT. Such agreements are deemed lawful until the courts rule otherwise. If an agreement is not registered within a certain period, as in this case, it is declared "null and void."

When the agreement is discovered it is placed on the OFT's register and a decision taken on further action.

It is understood that the OFT is to seek an early court ruling condemning the publishers' agreement. That would enable anybody feeling damaged by the agreement to seek compensation.

Because of the backlog of cases being dealt with by the Restrictive Trade Practices Court, it is unlikely the case will be considered for some months.

The four which could face contempt proceedings because of a 1976 court ruling concerning agreements on discounts to wholesalers are Associated Newspapers; Express Newspapers; Mirror Group, and the Daily Telegraph.

Neither the Newspaper Publishers' Association nor individual newspapers approached was prepared to comment last night.

Park Royal to close, Page 3
Eddie Shah profile, Page 15

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BAT

cannot repeat the same pattern.

"Even the nerves of the City have their limits. I would very much like to find an agreed solution."

Sir Denis Mountain, chairman of Eagle Star, said he would now reactivate plans to expand into new financial services. The threat of the Allianz bid had meant Eagle Star could not start costly new ventures which might damage its profits or net asset value.

"We have a lot of plans laid for the future, but we had to wait and see which way the bid would go," said.

In Eagle Star, BAT is gaining control of the sixth largest UK composite insurance group with premium income of just over £500m from general business in 1982. It has a large life insurance business with premiums of £346m exceeded only by Commercial Union among the composite insurers.

Parties look to Europe elections

BY MARGARET VAN HATTEM, POLITICAL CORRESPONDENT

NEW YEAR messages from the four main party leaders indicate that they are already preparing for June's elections to the European Assembly.

Mrs Margaret Thatcher stressed the Conservatives' determination to fight for a fair settlement on the problems of the EEC budget and the Common Agricultural Policy.

Mr Neil Kinnock, the Labour leader, saw the elections as an opportunity for voters to protest against the Government on issues such as the EEC budget, deployment of nuclear missiles in Europe, and the economy.

Dr David Owen, the Social Democrats' leader, spoke out against allowing UK membership of the EEC to "degenerate into surly acquiescence or myopic and selfish nationalism."

Mr David Steel, the Liberal leader, saw the elections in terms of the need for Liberals and Social Democrats to fight a "closely integrated campaign."

In her message, published in Conservative Newsline, the party paper, Mrs Thatcher appeared anxious to counter criticisms such as those voiced by Mr Steel, who said her Cabinet had become a lame duck within six months of the Tory election victory.

Her Ministers were without purpose and direction, held together only by the Prime Minister's obstinacy, he said.

"This is a Government led by the second 11 of the Tory Party. Most of the first 11 have retired hurt."

Mrs Thatcher insisted that the Government had built a reputation for consistency and was rapidly winning one for imaginative and radical new ideas.

"No-one can accuse this Government of complacency," she said. "Far from losing our way, we are just getting into our stride.

"We have stayed right on course. We have kept in tune with the people of this country.

"I am convinced that for Britain at least George Orwell was wrong—1984 will be a year of hope and a year of liberty."

Mr Kinnock rejected what he called the Government's "synthetic optimism," and accused it of lacking the will to combat unemployment or challenge the superpowers over their reluctance to disarm.

The Government was out of touch, he said. "They never listen to the managers who want to invest and produce and sell their companies out of the slump.

"They can't put themselves in the place of a single parent with a young family to bring up.

"They cannot, or will not, think how it feels to be a young nurse or doctor whose skills are unused, or underused, because of health service cutbacks."

Dr Owen predicted that the Conservatives might win the next General Election if economic decline could be halted.

Continued from Page 1

Peugeot

that even if a solution to the deadlock emerged at the weekend, preparations for resumption of work would delay the plant's reopening until Tuesday.

Apart from the financial impact of the affair on Peugeot—which is expected to lose more than FFr 2.2bn (£179m) in 1983—the dispute and its outcome are likely to set the tone for industrial restructuring programmes in other troubled sectors of the French economy.

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES					
Aspinall	138	+ 13	Metal Sciences	25	+ 5
BAT Inds	180	+ 12	Octopus Publishing	540	+ 30
BOC	296	+ 8	Plaxton's (GB)	232xd	+ 13
Belgrave (Bk'th)	143	+ 20	Pyke Hldgs	154	+ 7
Bellair Cosmetics	£10¼	+ 2⅜	Rentokil	128	+ 7
Billam (J.)	60	+ 20	Strong & Fisher	105	+ 10
Burnett & Hallams	158	+ 23	Wedgwood	128½xd	+ 7½
Distillers	244xd	+ 7½	Atlantic Resources	665	+ 25
Electronic Rentals	57	+ 7	Candecca Resources	180	+ 35
Fisher (A.)	86	+ 7	Carless Capel	201	+ 13
Harris Queensway	314	+ 20	Eglinton Oil Gas	335	+ 45
Highgate & Job	198	+ 8	Marinex Petroleum	83	+ 13
Jarvis (J.)	238	+ 8	FALLS		
Laporte Inds	355	+ 9	BTR	424	− 6
Lon Private Health	19½	+ 2½	Eagle Star	694	− 20
			Electronic Machine	56	− 9

WORLDWIDE WEATHER

UK today: Dry and sunny in the south, cloudy with rain in the north.

		Y'day midday °C	°F			Y'day midday °C	°F			Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	S	14	57	Corfu	C	16	61	Luxmbg.	Fg	3	37	Perth	C	21	70
Algiers	S	18	64	Dallas	F	−13	9	Madeira	F	19	66	Prague	S	6	43
Amsdm.	S	9	48	Dublin	S	5	41	Madrid	S	8	46	Reykjvk.	C	−2	28
Athens	S	16	61	Dbrvnk.	S	17	63	Majorca	S	14	57	Rhodes	S	19	66
Bahrain	S	18	64	Ednbgh.	S	6	43	Malaga	S	16	61	Rio J'o		—	—
Barclna.	S	15	59	Faro	C	15	59	Malta	F	16	61	Rome	S	16	61
Beirut	F	18	64	Florence	S	8	46	M'chstr.	S	7	45	Salzbrg.	S	4	39
Belfast	F	5	41	Frankft.	C	3	37	Melbne.	F	32	90	S F'cisc†	R	13	55
Belgrd.	S	6	43	Geneva	S	6	43	Mx. C.		—	—	Singapr.	F	29	84
Berlin	C	9	48	Gibraltar	F	16	61	Miami†	C	19	66	S'tiago		—	—
Biarritz	C	13	55	Glasgow	F	6	43	Milan	S	8	46	Stckhm.	R	4	39
Bmghm.	S	7	45	G'nsey	F	11	52	Montrl.†	F	−18	0	Strasbg.	F	3	37
Blackpl.	S	8	46	Helsinki	Sn	0	32	Moscow	F	−5	23	Sydney	S	26	79
Bombay	F	28	82	H. Kong	F	12	54	Munich	S	7	45	Tangier	S	18	64
Bordx.	C	11	52	Innsbrk.	S	7	45	Naples	S	17	63	Tel Aviv	F	18	64
Boulgn.	F	9	48	Invrnss.	R	5	41	Nassau		—	—	Tenerife	S	22	72
Bristol	S	9	48	I.o.Man	S	7	45	Nwcstl.	S	6	43	Tokyo	C	6	43
Brussels	S	6	43	Istanbul	S	11	52	N Delhi	S	18	64	T'ronto†	F	−17	1
Budpst.	Fg	0	32	Jersey	S	10	50	N York†	F	−7	19	Tunis	F	16	61
Cairo	S	20	68	Jo'burg	R	21	70	Nice	S	14	57	Valencia	S	14	57
Cardiff	S	8	46	L. Plms.	S	21	70	Nicosia	S	19	66	Venice	S	10	50
Cape T.	S	27	81	Lisbon	S	11	52	Oporto	S	11	52	Vienna	Fg	2	36
Chicg.†	F	−21	−6	Locarno	S	5	41	Oslo	F	6	43	Warsaw	F	7	45
Cologne	S	7	45	London	S	9	48	Paris	Fg	6	43	Zurich	S	6	43
Cpnhgn.	F	7	45	L. Ang.†	F	13	55	Peking	S	0	32				

C—Cloudy. F—Fair. Fg—Fog. H—Hail. R—Rain. S—Sunny. Sl—Sleet. Sn—Snow. T—Thunder.
† Noon GMT temperatures.

Shipyard peace talks adjourned

BY BRIAN GROOM, LABOUR STAFF

TALKS aimed at averting a national shipbuilding strike were adjourned last night at the London headquarters of the Advisory Conciliation and Arbitration Service (Acas) with little progress made.

Mr Maurice Phelps, British Shipbuilders board member for industrial relations, said: "I must say that at this moment it does not look particularly hopeful." The talks are set to resume on Tuesday.

An official strike by 60,000 workers is threatened from the end of the day shift next Friday over British Shipbuilders' proposals to change work practices in return for a £7 a week productivity payment as part of its survival plan.

It put forward new proposals yesterday in discussions with Acas officials. Mr Phelps refused to disclose details, saying "the proposals would form the basis of further talks. He added that this did not mean the survival plan was negotiable.

The most likely grounds for a compromise seem to lie in the timing of the introduction of new working practices. British Shipbuilders wants these implemented rapidly but the unions argue that skilled men need longer to get used to breaking traditional demarcation lines.

Acas officials, led by Mr Dennis Boyd, chief conciliation officer, met both sides separately during seven hours of talks. They did not come together and will start in separate rooms again on Tuesday.

Candecca reveals takeover approach

BY DAVID DODWELL

CANDECCA RESOURCES, the oil and gas group with substantial onshore acreage in the UK, yesterday disclosed that it had received a takeover approach from a "substantial company" which might lead to an offer being made for it. Any full bid is likely to be worth at least £70m.

Mr Geoffrey Butcher, Candecca's chairman, refused to identify the bidder, admitting only that it was a British company and that it was not yet a shareholder in Candecca.

Market analysts said an approach was likely to be between 180p and 190p, which would give Candecca a market value of £70m to £73.4m. The shares closed on the Unlisted Securities Market at 180p, up 35p, yesterday.

Market analysts suggested two reasons why a bidder might be attracted to Candecca. One might be its recently-acquired interests in the Forties field.

A second attraction might be Candecca's substantial onshore oil and gas interests. With a 25 per cent stake in the Humbly Grove field in Hampshire and other interests in Notts., Lincs and Yorks., it has a larger onshore acreage than any other oil and gas company.

Two potential bidders are thought to be Trafalgar House, which has been seeking an appropriate acquisition in the oil and gas sector to make its current investments more tax efficient, and Rio Tinto Zinc, which recently failed in its £60m bid to buy British Electric Traction's 5 per cent stake in the Maureen Field

مكتبة الاصل